

TRANSCRIPT TRANSMITTAL MEMORANDUM
FRITZ & SHEEHAN ASSOCIATES, INC.
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Date: August 28th, 1990

To: Wynn & Wynn
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From: Deborah Roth

Case Name: United States of America, et al. V.
Charles George Trucking, Co. Inc., et al.

Name of Deponent: Charles P. Riley, Jr. (Vol II)

Date (s) taken: August 10th, 1990

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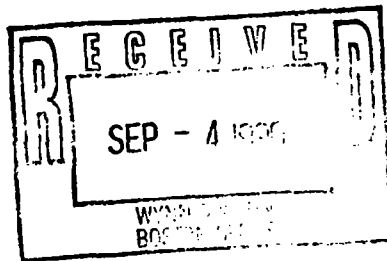
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2-1

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PAGES 1 to 190
EXHIBITS 20 to 35

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA,
Plaintiff,

v.

CHARLES GEORGE TRUCKING
COMPANY, INC., ET AL.,
Defendants.

C.A. No. 85-2463-WD

COMMONWEALTH OF MASSACHUSETTS,
Plaintiff,

v.

CHARLES GEORGE TRUCKING
COMPANY, INC., ET AL.,
Defendants.

C.A. No. 85-2714-WD

DEPOSITION of CHARLES P. RILEY, JR.,
taken on behalf of the Defendants, pursuant to the
Federal Rules of Civil Procedure, before Deborah
Roth, a Certified Shorthand Reporter and Notary
Public in and for the Commonwealth of
Massachusetts, at the Offices of Wynn & Wynn, 84
State Street, Boston, Massachusetts, 02108, on
August 10th, 1990, commencing at 9:20 a.m.

FRITZ & SHEEHAN ASSOCIATES, INC.
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I N D E X

Deposition of: Direct Cross

Charles P. Riley, Jr.

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(by Mr. Frederico) 112

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STIPULATION

It is stipulated by and between counsel for the respective parties that any objections made by counsel representing a defendant or third-party defendant will be applicable to all defendants and third party-defendants present at the deposition.

Any objections made by counsel for one of the plaintiffs, either the United States or Commonwealth of Massachusetts, will apply to the other plaintiff.

The other stipulations are that the deposition is being taken pursuant to the Rules of Civil Procedure. All objections will be reserved until trial and will not be deemed waived if not made at the deposition, except objections to the form.

The parties are reserving motions to strike as well, and the witness will read and sign the desposition under the pains and penalties of perjury.

CHARLES P. RILEY, JR.

a witness called for examination by counsel for the United States of America, being first duly sworn,

1 was examined and testified as follows:

2 DIRECT EXAMINATION

3 BY MR. FRANKEL:

4 Q. Good morning, Mr. Riley.

5 A. Good morning.

6 MR. FRANKEL: For the record, this
7 is the continuation of a Rule 30 (b) (6) deposition
8 of Stepan Company, which was commenced on June 29,
9 1990.

10 Q. Mr. Riley, before we get started, I
11 would just ask you whether or not you have
12 discussed this deposition with anyone since our
13 last meeting in late June, other than your counsel?

14 A. No. I might amend that. I discussed it
15 with my company attorney also.

16 MS. BECK: He is your counsel also.

17 Q. What is the name of the counsel at the
18 company?

19 A. The counsel for Stepan Company, Jeffrey
20 Barlett.

21 Q. Anybody else?

22 A. No.

23 Q. Have you spoken with Anthony Green at
24 all since the last deposition?

1 A. Not about the deposition.

2 Q. When we last met, we discussed a number
3 of products that the Wilmington plant had produced
4 during the time you were there. We also went over
5 an exhibit which I believe was Exhibit 18. I guess
6 Exhibits 18 and 19 are the two exhibits.

7 In discussing the various products
8 on those exhibits, we talked about the by-products
9 and the waste that resulted from the production of
10 those products. What we didn't cover was the
11 actual chemical contents of several of these
12 products themselves, as opposed to waste streams
13 resulting from their production.

14 What I would like you to do now for
15 some of these products is give an explanation of
16 the chemical contents of the finished products
17 themselves.

18 Let me start with, I think it's
19 what we referred to as product No. 1 the last time
20 we met, that's dinitrosopentamethylene tetramine
21 which I believe is called Opex. Can you tell me
22 the chemical constituency of that product?

23 A. Carbon, hydrogen, nitrogen and oxygen.

24 Q. Carbon, hydrogen, nitrogen and oxygen?

1 A. That's correct.

2 Q. Is there a particular chemical formula
3 for those elements?

4 A. Yes.

5 Q. Can you tell me what that is, if you
6 know?

7 A. CH₂ taken six times; N to the fourth
8 power; NO to the second power.

9 Q. Just for the record, I believe when you
10 say, "to the fourth power," and "to the second
11 power," you mean subscript?

12 A. Yes, subscript.

13 Q. So it would be CH₂ subscript 6; N
14 subscript 4; NO subscript 2?

15 A. Right.

16 Q. Is that the chemical formula for
17 dinitrosopentamethylene tetramine?

18 A. Yes.

19 Q. Would there have been other substances
20 mixed in with the dinitrosopentamethylene
21 tetramine?

22 A. At what level?

23 Q. At any level?

24 A. If you analyze for parts per billion,

1 then you would find traces of the raw materials
2 with the product. If you are analyzing for
3 percentage, you would find only a trace, which
4 would not be quantified. The raw materials are
5 removed from the product during manufacturing by
6 washing, so you would find only trace amounts.

7 Q. With respect to those trace amounts, let
8 me refer you to Exhibit 18 or 19. It is the longer
9 of the two. I believe dinitrosopentamethylene
10 tetramine is the third product on the list; is that
11 correct?

12 A. Yes.

13 Q. Referring to the raw materials in column
14 No. 2, are those the raw materials that you would
15 expect to find in trace amounts in the finished
16 product?

17 A. No. I wouldn't expect to find the
18 formaldehyde, that's a gas.

19 Q. What about NH subscript 3?

20 A. No, that's a gas.

21 Q. Hexamethylenetetramine?

22 A. That's the product. Well, that's a raw
23 material. See, the formaldehyde and ammonium
24 hydroxide form the hexamethylenetetramine.

1 Hexamethylenetetramine is the basic raw material
2 for the product.

3 Q. How about sodium nitrite, would that be
4 in the finished product?

5 A. At what level are you analyzing?

6 Q. Let's start with a percentage analysis.

7 A. No, it would be less than one percent.

8 Q. How about, in your opinion, analyzing
9 for trace amounts?

10 A. How low are you going?

11 Q. Let's say parts per billion?

12 A. You would find parts per billion.

13 Q. How about parts per million?

14 A. I couldn't say, but there would be no
15 appreciable raw materials with the finish product.

16 Q. How about the hydrochloric acid?

17 A. There wouldn't be any of that.

18 Q. Ammonium hydroxide?

19 A. No.

20 Q. Rubber processing oil?

21 A. That was with the product. That would
22 have been added with the product, so that would be
23 there.

24 Q. That would be there?

1 A. Yes.

2 Q. What is rubber processing oil?

3 A. It's an organic material that's added to
4 this product to keep the dust down in the product.

5 Q. Do you know what kind of oil it is?

6 A. Basically a napthenic oil.

7 Q. What does that mean?

8 A. That's a characterization of an oil.

9 This oil would be different than the type of oil
10 you burn in an oil burner in your home.

11 Q. Let me turn to what is listed under
12 "By-products and Waste." Would you expect to find
13 any of those substances in the final product?

14 A. Again, talking about parts per billion,
15 there would be some sodium chloride. There
16 wouldn't be any formaldehyde. There is processing
17 oil, because it was added to the product and there
18 wouldn't be any sodium nitrite. There is no
19 chemistry that would give you sodium nitrite in
20 that system.

21 Q. So you think that where it is listed in
22 "By-products" --

23 A. I would say it is an error.

24 Q. Let me turn to what was previous

1 referred to as product No. 2, azodicarbonamide,
2 referred to as Kempore; is that correct?

3 A. Yes.

4 Q. I believe that's listed as the first and
5 also the second product on the exhibit that we have
6 been looking at.

7 A. Yes.

8 Q. Do you know the chemical configuration
9 of azodicarbonamide?

10 A. H_4CO taken twice, subscript 2 and N
11 subscript 4.

12 Q. Is that the chemical formulation for
13 azodicarbonamide?

14 A. Yes.

15 Q. Would there have been any other
16 substances mixed in the azodicarbonamide?

17 A. Only in trace amounts, in very fine
18 analysis.

19 Q. Let me refer you to the exhibit we have
20 been looking at, under "Raw Materials." Would you
21 expect to find these raw materials in trace amounts
22 in the finished product?

23 A. You wouldn't have the ammonia.

24 Q. I am looking under "Raw Materials" on

1 the left there. What about hydrazine?

2 A. At the trace level. Urea you would have
3 a trace amount.

4 Q. Sodium chlorate?

5 A. No, you wouldn't have any sodium
6 chlorate. You wouldn't have any urea. You
7 wouldn't have sodium chlorate. You wouldn't have
8 sulfuric acid.

9 You would have sodium bromide, a
10 trace amount; and you would have a very trace
11 amount of sodium sulfite.

12 Q. Now, returning to the column,
13 "By-products and Waste," could you give me the same
14 information?

15 A. There wouldn't be any ammonia, that's a
16 gas. You wouldn't have any HCl. You wouldn't have
17 any HBr. You wouldn't have any NaBr. You would
18 have sodium sulfate.

19 Q. That is NaSO4?

20 A. You would have NaCl. These are in trace
21 amounts again. NH4 SO4 in trace amounts. No urea
22 and no -- this is by-products, the waste?

23 Q. Right.

24 MS. BECK: What you would find with

1 the product?

2 MR. FRANKEL: Right.

3 Q. What would you expect to find in the
4 final product?

5 A. There wouldn't any ammonia. There
6 wouldn't be any HCl, HBr. There would be trace
7 amounts of the NaSO₄ and NaCl. There would be
8 trace amounts of (NH₄)₂SO₄, and there would be --
9 there wouldn't any urea and there wouldn't any
10 H₂SO₄. Again these are trace amounts, parts per
11 billion at that level.

12 I have to be a little bit careful
13 with your questions on analysis, because in the
14 '60s when we found a trace amount of an element, we
15 couldn't go below it. We could detect it, but we
16 couldn't quantify it.

17 Since then, we have parts per
18 billion, and now we are approaching parts per
19 trillion. There is a different connotation to an
20 analysis now.

21 Q. So you are saying that an analysis done
22 in the '60s that indicated trace amounts may have
23 indicated parts per million?

24 A. Or parts per billion. You could detect

1 them, but you couldn't quantify them.

2 Q. What about an analysis done in the early
3 1970's?

4 A. That would be the same. Analytically we
5 have gone great lengths in the last ten years.

6 Q. Let's turn to what was previously
7 referred to as product No. 3, which is
8 trisnonylphenylphosphite, which is called "Wytex
9 312"; is that correct?

10 A. That's right.

11 Q. Can you tell me what the chemical
12 formula for trisnonylphenylphosphite is?

13 A. Okay. That would be C subscript 15,
14 H240 and then all that subscript 3 and 1P.

15 Q. What does the "P" stand for?

16 A. Phosphorus.

17 Q. And that is the chemical formula for
18 trisnonylphenylphosphite?

19 A. Yes.

20 Q. Would there have been other substances
21 contained in that final product?

22 A. A small amount of Vikoflex was added
23 with that product. This would have been less than
24 one percent.

1 Q. What is Vikoflex?

2 A. It's an epoxide soy bean plasticizer.

3 Q. Could you --

4 A. Epoxide soy bean plasticizer. "Epoxide"
5 refers to adding an oxygen ring structure to the
6 chemical compound.

7 Q. What is a "plasticizer"?

8 A. Well, a plasticizer is a material that
9 is used mainly to plasticize plastic compound. In
10 this case, it was being added as an additive, as a
11 processing additive to the
12 trisnonylphenylphosphite.

13 Q. "Soy bean" refers to beans?

14 A. Yes. Right off the farm with the oil
15 pressed out of the beans.

16 Q. Then epoxided?

17 A. It is treated with oxygen and that is
18 ^{epoxidation} called epoxidizing to the formula.

19 Q. What about PCl_3 which is listed as one
20 of the materials?

21 A. No, that's completely reacted up. You
22 wouldn't have any of that.

23 Q. What about the nonylphenol?

24 A. That would be completely reacted up.

1 Q. Under the "By-products" column, it lists
2 "hydrochloric, HCl"?

3 A. That is hydrochloric gas, which is the
4 only by-product that comes off as a gas which was
5 absorbed in water to make hydrochloric acids.

6 Q. Would any HCl be in the final product?

7 A. No. Because the Vikoflex was added to
8 remove any traces of HCl, because HCl would react
9 with the oxygen ring. It opens the ring and that
10 takes away the HCl, that's why it is added.

11 Q. What was the Wytox used for?

12 A. This was a stabilizer for rubber and
13 plastic products. It stops degradation by sunlight
14 and oxygen.

15 Q. Let me ask you about another Wytox
16 product referred to as dioctyldiphenylamine which
17 is on the second page of the exhibit we have been
18 looking at. Its refers to "Wytox ADP-F and
19 Lestane." Could you tell me the different between
20 this Wytox product and the one we just discussed?

21 A. This product, Wytox was an antioxidant
22 for rubber compound. It was used in rubber
23 processing. The trisnonylphenylphosphite would be
24 used when synthetic rubber was being made. It was

1 added to latex when the rubber was being made to
2 stop it from degrading during processing. This is
3 being used downstream when the rubber, synthetic
4 rubber is being compounded to form a tire compound
5 or a rubber article.

6 Q. Is "Lestane" another trade name for the
7 product?

8 A. Yes. They are the same product.

9 Q. Do you know the chemical formula for
10 dioctyldiphenylamine?

11 A. That would be $(C_2H_5)_8$ and NHA.

12 Q. Would there have other substances mixed
13 in the with final product?

14 A. Only trace amounts.

15 Q. Let's look at the raw material there.
16 Which of those would you expect to find in trace
17 amounts?

18 MR. FREDERICO: I object to the
19 form.

20 A. A trace amount of aluminum chloride.
21 The Microcel E was added as an additive.

22 Q. What is Microcel E?

23 A. That's a mineral material. It was added
24 to an organic to give body to the final product, to

1 turn a mushy solid into a free flowing solid.
2 There may be a trace of diisobutylene. The
3 diphenylamine would have been all reacted.

4 Q. There would be a trace of the
5 diisobutylene?

6 A. There might have been a trace amount,
7 parts per billion.

8 Q. What about sodium hydroxide?

9 A. There might be a trace there.

10 Q. Turning to the list of
11 "By-products/Waste," would any of them have been
12 present in trace amounts?

13 A. In the product?

14 Q. Yes.

15 A. The "DIB" is the diisobutylene. The
16 diphenylamine is the intermediate. I don't know
17 why that's there in "Waste," because aluminum
18 hydroxide -- the aluminum chloride is turned into
19 aluminum hydroxide during the process. There could
20 be a trace of aluminum hydroxide and a trace of
21 sodium chloride.

22 Q. Product N is
23 oxybisbenzenesulfonylhydrazide?

24 A. Yes.

1 Q. It is referred to as "Nitropore"; would
2 that be the trade name?

3 A. Yes, that's right.

4 Q. Did you know the chemical formula for
5 this substance?

6 A. C subscript 12, H subscript 14, S
7 subscript 4, ²O subscript 5, and N subscript 4.

8 Q. That would be the chemical formula?

9 A. Yes.

10 Q. Would you expect there could have been
11 other substances mixed in with the finished
12 product?

13 A. Again, only trace amounts. There
14 wouldn't be any chlorosufonic acid.

15 Q. What about the diphenyl oxide?

16 A. Could be a trace of that and the
17 hydrazine. There wouldn't be any ammonium
18 hydroxide.

19 Q. What about HCl and sulfuric acid?

20 A. No, neither one of those would be
21 present. They would be converted to other species.

22 Q. Other than yourself, which other
23 employees at the Wilmington plant would have been
24 familiar with the chemical constituents of the

1 final product?

2 MS. BECK: Time period?

3 A. What time period?

4 Q. Let me start with any time in the
5 1960's?

6 A. That's very broad.

7 Q. 1964 to 1968?

8 A. 1964 to 1968?

9 Q. Right. That prior to the Stepan
10 purchase of National Polychemicals from Fisons?

11 A. Well, surprisingly, that was when I was
12 in the laboratory, and I was running the laboratory
13 at that time. There was a chemist named Walter
14 Beck who has no relation to my attorney. He was in
15 the laboratory at the time.

16 Q. Would he have been familiar with the
17 chemical constituents of the final product?

18 A. Yes.

19 Q. Do you know where Walter Beck is today?

20 A. He is somewhere in Arizona. He is
21 retired. There was a David Kim. He was also a
22 chemist. He is unfortunately deceased. There was
23 Richard Strauss, who was the operations manager at
24 that point.

1 Q. Do you know where Richard Strauss is?

2 A. Somewhere in Boston.

3 Q. Do you know where he is employed?

4 A. He was with a company called W.R.

5 Balston.

6 Q. Where is that located?

7 A. They are in Lexington. I don't know if
8 he is still there. Strauss left in 1967 from the
9 Wilmington company.

10 Q. How about during the period from 1968 to
11 1974?

12 A. 1968 to 1974?

13 Q. Yes.

14 A. Strauss was gone, as I just said. Beck
15 and Kim were there.

16 Q. Did anyone new come on board during that
17 period?

18 A. I don't recall anyone else.

19 Q. How about from '74 through '80?

20 A. I think Kim was deceased by '80. He
21 died sometime in the '70s. Beck, I think he left
22 in the late '70s, and I was not located there from
23 '76 on.

24 Q. Do you know whether or not during any

1 period of time the company produced materials
2 safety data sheets indicating the chemical
3 composition of the final product?

4 MS. BECK: Up until 1980 you mean?

5 MR. FRANKEL: Right.

6 A. That information was included in sales
7 literature, but there wasn't a requirement at that
8 time for a formal materials safety data sheet.

9 Q. So you did have documents indicating the
10 chemical composition. You are saying it wasn't
11 what we now refer to as the "Materials Safety Data
12 Sheet," because it wasn't then required?

13 A. They were similar. The information
14 would give toxicity of the materials. The LD50,
15 which is the lethal dose per 50 grams of body
16 weight, and it gave handling precautions where
17 precautions were required.

18 Q. Would it have shown the analysis of
19 these products for trace elements and that type of
20 thing?

21 A. No. These products were assumed to be
22 pure organic compounds and they were.

23 Q. Do you know where these types of
24 documents would be located today?

1 A. I have no idea.

2 Q. Would they have been retained by Olin at
3 the time of purchase in 1980?

4 MS. BECK: Objection.

5 A. Olin had all the documents when Stepan
6 left in 1980.

7 Q. Olin inherited the files for the
8 Wilmington plant?

9 A. Stepan took nothing to Chicago.

10 MR. FRANKEL: I would like to mark
11 as Exhibit 20 a memorandum dated September 25,
12 1980. It is on Olin interoffice memo stationery, a
13 two-page document.

14 (Exhibit No. 20 was marked for
15 identification.)

16 Q. Have you ever seen this list before?

17 A. Yes.

18 Q. Can you tell me what this list
19 represents, what it shows?

20 A. I am not quite sure.

21 Q. Did you see this list in preparation for
22 your deposition?

23 A. Yes.

24 Q. Had you seen it previously?

1 A. No. I don't remember it, if I did.
2 There is no signature on this, is there?

3 Q. No.

4 A. I don't know where it came from.

5 Q. Let me refer you to the description
6 column "Drum No. 2." It says, "Dioctyl phthalate,
7 water, azodicar bonamide." Based upon your
8 experience at the Wilmington plant would these be
9 substances that would have been mixed into a drum
10 at that plant?

11 MR. FREDERICO: Objection.

12 MS. BECK: Objection.

13 A. Not with the water.

14 Q. What was the dioctyl phthalate?

15 MR. FREDERICO: Objection. Are you
16 asking generally what it is or are you asking what
17 the reference in this document is?

18 Q. I am asking generally is what dioctyl
19 phthalate?

20 A. Dioctyl phthalate is a plasticiser.

21 Q. Is that a product that was produced at
22 the Wilmington plant, dioctyl phthalate?

23 A. It would been produced in the late
24 1950's.

1 Q. What about azodicar bonamide, was that a
2 product produced by the Wilmington plant?

3 A. I think I testified to that before.

4 Q. I am sorry, I don't recall that
5 testimony. Was it a product produced by the
6 Wilmington plant?

7 A. Yes.

8 Q. During what period of time?

9 A. From 1954, until the company was sold in
10 1980. I think I already testified about that.

11 Q. Let me refer to you the fourth line on
12 this document where it refers to "Drum No. 5," and
13 it says, "dioctyl phthalate, azodicarbonamide,
14 polymeric hindered phenol."

15 A. Are you referring to the line that also
16 says "dirt"?

17 Q. Yes. Was polymeric hindered phenol also
18 one of the products?

19 A. Yes.

20 Q. I believe that when we last met you
21 indicated that at the time Olin purchased the
22 Wilmington plant there were drums of material left
23 at the plants; is that correct?

24 A. Yes.

1 Q. Was it your testimony that as part of
2 that agreement Olin was to dispose of those drums?

3 A. Yes, certain drums of obsolete
4 inventory.

5 Q. In addition to obsolete inventory, do
6 you know whether any of those drums contained waste
7 material from the Wilmington plant?

8 MS. BECK: Objection.

9 Q. I am distinguishing waste material from
10 the finished product that hadn't been sold for
11 whatever reason.

12 A. I have no knowledge of that.

13 Q. Would some of those drums have contained
14 off-spec. material, as opposed to finished product
15 that hadn't yet been sold to a customer?

16 A. They could have, yes.

17 Q. Referring to the drums indicated on this
18 exhibit, do you know whether or not these are the
19 types of substances that were contained in the
20 drums that were left at the Wilmington plant?

21 A. I have no idea what these drums are
22 containing dirt. I have no knowledge of a drum
23 that would contain a product and dirt.

24 Q. So you don't know whether or not these

1 were the drums that were left by Stepan?

2 A. I have no way of knowing.

3 Q. Could you review the substances listed
4 under the description and indicate to me whether or
5 not these were products that were produced by the
6 Wilmington plant prior to 1980?

7 MS. BECK: Are you asking him for
8 all 60 drums?

9 MR. FREDERICO: Are you lumping
10 them all together or going one by one?

11 Q. I am just going to ask you about the
12 first nine drums. Do you see any substances listed
13 there that were not produced by the Wilmington
14 plant?

15 A. In what time period?

16 Q. Any time period?

17 A. No. 1.

18 Q. "Unknown liquid"?

19 A. Yes. "No. 3, sodium alkyl sulfate."

20 Q. That was not a product?

21 A. No.

22 Q. Was it ever a raw material?

23 A. Not that I know of.

24 Q. How about a waste product?

1 A. I have no knowledge of what that is.

2 "Hydrated amorphous silicon dioxide," that was used
3 as an additive. In the first nine, those are
4 things, plus the dirt that I have no knowledge of.

5 Q. You were not producing dirt at the
6 plant?

7 A. We didn't produce or ship dirt.

8 Q. So other than the ones you mentioned,
9 others were products produced by the Wilmington
10 plant?

11 A. At some period. You said over the whole
12 time period?

13 Q. Yes. Which former employees of the
14 Wilmington plant would have been familiar with the
15 types of substances that were left in these drums
16 at the time of the Olin purchase?

17 MS. BECK: Objection.

18 A. Would you restate that?

19 Q. You have testified that certain drums
20 were left at the plant at the time of the purchase;
21 is that correct?

22 A. What I testified to previously is that
23 at the time of the purchase, there was certain
24 inventory that was composed of obsolete material

1 that was not purchased by Olin and which was
2 disposed of by Olin at Stepan's expense. It was
3 similar to a cleaning of your basement when you
4 sell your house.

5 Q. I was asking you which of Stepan's
6 employees at the time would have been familiar with
7 that inventory?

8 A. Howard Moorman would have. He was the
9 warehouse manager.

10 Q. He is deceased?

11 A. Yes, and Ron McBrien. He would have
12 known. He was the plant manager.

13 Q. I believe you testified previously there
14 was a warehouse at the Wilmington plant where drums
15 were stored; is that correct?

16 A. Yes.

17 Q. How did the Wilmington plant handle
18 situations where a product or a drum placed in the
19 warehouse had remained unsold for a period of
20 years? Was there any general policy regarding
21 that?

22 A. What time period?

23 Q. Let's start with the 1960's, prior to
24 1968. How long would you keep the drums in the

1 warehouse?

2 A. I really don't know.

3 Q. Do you know who would have known that in
4 the 1960's, prior to 1968?

5 A. I am not sure there was any policy for
6 that. I don't think there was a policy to
7 determine whether something should be done.

8 Q. Do you know whether there came a point
9 in time when the drums were disposed of?

10 A. No. Some material was reworked over the
11 years. Some material that had been in inventory
12 for a long period of time would be taken back and
13 reworked and reanalyzed and redrummed.

14 Q. Do you know whether any of it was
15 disposed of as opposed to being reworked?

16 A. I don't recall anything being disposed
17 of in drums, any product, from the Wilmington
18 plant, at any period.

19 (Mr. Chefitz enters the room.)

20 Q. So it is your testimony that all the
21 materials were reworked into new products?

22 A. As far as I recall.

23 Q. Who else would have had information
24 concerning the recycling of the drums?

1 A. At what period?

2 Q. During the 1960's, prior to 1968?

3 A. Ron McBrien would have.

4 Q. How about from 1968 through 1974?

5 A. Ron McBrien again.

6 Q. How about after 1974?

7 A. Ron McBrien.

8 Q. How about Mr. Marciano, would he have
9 been familiar with how the drums were handle in the
10 warehouse?

11 MS. BECK: You mean the reworking
12 of the drums?

13 Q. Would he have been familiar with whether
14 those drums were reworked or sent off to a
15 disposal, the drums that had been placed in the
16 warehouse?

17 A. Marciano was a forklift driver. He
18 would have been told to move things. He might not
19 have known what he was moving.

20 Q. But he would have been in a position to
21 know where the stuff was moved to even if he didn't
22 know what was in the drum?

23 A. He might have known that. I am not sure
24 he would known if he was told to send drums that

1 were obsolete material out for disposal. He
2 wouldn't have known whether it was reworked,
3 obsolete or defective inventory, He was a laborer.
4 Howard Moorman would know. He is deceased. He ran
5 the warehouse for all those years.

6 Q. For example, if Mr. Marciano were
7 instructed to take drums out and load them into a
8 container that would be hauled away, presumably he
9 would know that certain drums were disposed of?

10 MS. BECK: Objection.

11 A. He might not know where they went to.

12 MR. FRANEL: I would like to mark
13 as Exhibit 21 a memo from J. Jackson to D. Vaughn
14 dated November 12, 1980.

15 (Exhibit No. 21 was marked for
16 identification.)

17 A. (Witness reviews document.)

18 Q. Have you seen this memo before?

19 A. No, never have.

20 Q. Can you tell me who J. Jackson is?

21 A. No, I don't know who he is.

22 Q. How about D. Vaughn?

23 A. I don't know who he is either.

24 Q. Can you identify any of the CC'd

1 parties?

2 A. Bradford, King and Margherio were
3 executives with Olin. McBrien was the plant
4 manager at Wilmington. Norwood was the director of
5 environmental engineering for Olin, and Sokolowski
6 I think was an environmental lawyer with Olin.

7 Q. Let me refer you to the first paragraph
8 of the memo which refers to "The presence of wastes
9 at the Wilmington plant." Do you know what wastes
10 are being referred to?

11 A. No, I don't.

12 Q. Could that be the drums that you
13 testified to previously?

14 MR. FREDERICO: Objection.

15 MS. BECK: Objection.

16 A. I don't have any knowledge of what they
17 are referring to.

18 Q. Are you aware of any waste material that
19 was left at the plant?

20 A. No. What they are calling "wastes" and
21 what you are calling "wastes" may be something
22 different.

23 Q. When I refer to "waste," I am not
24 referring to a product intended to be sold, but a

1 by-product that is intended to be disposed of.

2 A. I don't know how they are classifying
3 it, so I can't answer that.

4 Q. With respect to obsolete material, would
5 the Wilmington plant have reworked obsolete
6 material as well?

7 MS. BECK: Objection.

8 A. Yes.

9 Q. Did it ever dispose of obsolete
10 material?

11 MS. BECK: Objection.

12 A. Not that I can recall.

13 MR. FRANKEL: I would like to
14 mark as Exhibit 22 a memo from R. Gulliani to R.
15 McBrien dated October 28, 1981, on Olin interoffice
16 memo stationery.

17 (Exhibit No. 22 was marked for
18 identification.)

19 A. (Witness reviews document.)

20 Q. Have you ever seen this memo before?

21 A. No, I haven't.

22 Q. Do you know who R. Gulliani is?

23 A. No.

24 Q. Let me refer you to the first sentence

1 of the memo which states that "As of October 27,
2 1981, we have paid \$8,454.34 to Recycling
3 Industries for disposal of 84 drums of hazardous
4 waste that were here at the time of acquisition."
5 Do you know what drums are being referred to in
6 this memorandum?

7 A. No. I think we are having a problem of
8 my classification of materials as rework and Olin's
9 calling it hazardous waste. I think we are
10 stumbling over terms. The policy at National
11 Polychemicals was recycle all rework material or
12 obsolete material.

13 When Olin took over the plant,
14 there was a drive to ship everything out that was
15 there and charge it to Stepan, and I think it is
16 being classified as hazardous waste, but a better
17 term would have been rework or obsolete.

18 Q. When you use the term "reworked
19 material," what does that mean?

20 A. "Rework" is normally a material that's
21 out of spec. for some reason. It could be darker
22 than specified. It can be taken back and put into
23 succeeding production which is of a lighter color
24 and the final batch is then within specification.

1 Q. When you say, "rework material," do you
2 mean material that was off-spec. that you plan to
3 rework in the future? It hasn't actually been
4 reworked at that point?

5 A. Yes. "Obsolete" can be reworked in the
6 same way. You can have a product that is two years
7 old and the customer may not want to buy a product
8 that is listed as two years old, because drums of
9 product are dated. Many times you will take that,
10 even though it is in spec., and put that back into
11 production, remix it and put a new date on a new
12 drum and that becomes current production.

13 Q. Let me refer you to the second to last
14 sentence where it says, "Included on the same
15 invoice are charges for disposal of
16 paraformaldehyde removed from the old storage
17 tank." Are you familiar with the old storage tank
18 at the Wilmington plant?

19 A. There was a formaldehyde storage tank at
20 the Wilmington plant that this may be referring to.

21 Q. Was it formaldehyde or paraformaldehyde?

22 A. It was a formaldehyde tank.

23 Q. Is there a different between
24 formaldehyde and paraformaldehyde?

1 A. Yes. Formaldehyde usually refers to the
2 liquid form of formaldehyde. Formaldehyde is
3 dissolved in water. Paraformaldehyde is the solid
4 form of formaldehyde.

5 Q. Can you tell me what the Wilmington
6 plant did with the formaldehyde that was stored in
7 that storage tank after the tank reached its limit?

8 A. I have no idea. I wasn't there in 1981.

9 Q. Prior to that time, what did Stepan do
10 when you were there?

11 MS. BECK: I object to the form of
12 the question.

13 A. I am not sure what this refers to. That
14 doesn't clearly say what that operation was.

15 Q. Putting this memo to the side, are you
16 familiar with the storage tank for formaldehyde at
17 the Wilmington plant?

18 A. There was a storage plant for the liquid
19 formaldehyde at the Stepan plant, yes.

20 Q. Was that formaldehyde used as a raw
21 product in one of the processes?

22 A. At one time, yes, it was used.

23 Q. This was not a waste product?

24 A. No.

1 Q. Was it stored --

2 A. Not the paraformaldehyde. The liquid
3 formaldehyde was the raw material.
4 Paraformaldehyde was not stored.

5 Q. Paraformaldehyde --

6 A. I take that back. I am not sure of
7 that. Paraformaldehyde is a solid. It wouldn't be
8 stored in a storage tank. Paraformaldehyde was
9 produced to produce some of the phosphates. You
10 wouldn't store it in tanks. It was a product that
11 came in bags. So I am not sure what they are
12 referring to when they talk about a storage tank,
13 an old storage tank for paraformaldehyde.

14 MR. FRANKEL: I would like to mark
15 as Exhibit 23 a document which has JCGO78 0962 on
16 Page 1 and goes through JCGO78 0976.

17 (Exhibit No. 23 was marked for
18 identification.)

19 Q. I refer you to the first page of the
20 exhibit.

21 A. Yes.

22 Q. Which states, "Remaining Stepan Wastes."
23 There are two columns, one which says "Presently,"
24 and one which says, "After Rollin Shipment of

1 12/8." Have you ever seen this document before?

2 A. Yes.

3 Q. Can you tell me what it refers to?

4 MS. BECK: Objection.

5 A. Again, I wasn't there when this document
6 was created. It apparently is an inventory of
7 materials which someone has classified as "Stepan
8 Waste." I would classify these as obsolete
9 materials, rework materials, et cetera. Like the
10 first one "R-3 off-spec...", to me that is rework
11 material. It could have been reworked into good
12 R-3. It's not a waste.

13 "Nonylphenol" is a raw material.
14 Nonyl phenol would have been used, not shipped out.

15 Q. What about the next one, "Waste Oil,
16 TP."

17 A. I don't know what that is. I have no
18 information on what that is.

19 Q. Did the Wilmington plant operation have
20 a waste oil by-product?

21 A. No.

22 Q. Do you know what the "TP" would stand
23 for?

24 A. I have no idea what that is.

1 Q. What about the next product?

2 A. "Diallylamine"? I have no idea what
3 that was. It must have been something brought in
4 by Olin. At this point Olin had brought in other
5 products to the plant, I am sure.

6 Q. Could this have been a product or a raw
7 material at the Wilmington plant after you left in
8 1976?

9 A. I think it was.

10 Q. So it might have been between '76 and
11 the purchase by Olin in 1980?

12 A. No, I think it was beyond 1980.

13 Q. What about "cyclohexanol"?

14 A. That's in the same category.

15 Q. You don't recall that?

16 A. No.

17 Q. "Benzene PEG 400"?

18 A. No, that's "benzene," and the one below
19 is "PEG 400."

20 Q. I see.

21 A. Benzene -- no, benzene wasn't being used
22 in my time.

23 Q. When you say, "your time," are you only
24 including through '76?

1 A. I am including through 1980. I should
2 say since Stepan's time after 1980 I have no
3 information.

4 Q. Benzene was neither a product nor a raw
5 material? *Yes*

6 A. No. "Peg 400," that's polyethylene 400,
7 that is a raw material. That wasn't being used
8 under Stepan.

9 "XR-34," that was an activator. It
10 was an obsolete product. "Monoethanolamine," that
11 was a raw material and that was not being used by
12 Stepan.

13 The next one I can't read. The
14 next one I can't read. "Deetac," was an obsolete
15 material that was sold by the company at one time.
16 "Makon 10" was a product -- that's a Stepan
17 product. "GTR-1,2,EV-II," I am not sure what that
18 is. "ATA Supings," I don't know what that is.
19 "Wyttox solids," I am not sure what that is.

20 "OBESH SD (DOP)," that was an
21 obsolete product. *Stearic* "Ca Stearate" is a soap.
22 "ADP-F," that was a product. I don't know what the
23 next one is. I can't read the next one. I can't
24 read any of those.

1 Q. Let me refer you to Page 2 of the
2 exhibit. On Line 7 it says, "hexane," do you see
3 that?

4 A. Yes.

5 Q. Was hexane a product or a raw material?

6 A. No, not under Stepan.

7 MR. FREDERICO: When you say, "Not
8 under Stepan," are you also referring to the period
9 prior to Stepan's purchase of NPI?

10 THE WITNESS: Yes.

11 A. It might have a laboratory use, but it
12 was not a production item. That may have been
13 brought in for some laboratory use, some small use,
14 but it was not a raw material for production.

15 Q. Going back to the first page of the
16 exhibit, with respect to the benzene, the
17 diallylamine and cyclohexanol, would they also have
18 been either raw materials or by-products as opposed
19 to part of the production product?

20 A. Possibly.

21 Q. Is it your testimony that the laboratory
22 may have been using different raw materials and may
23 have created different by-products than the
24 manufacturing process?

1 A. Say that again.

2 Q. Is it your testimony that the laboratory
3 may have used different materials than the
4 manufacturing process?

5 A. Yes, for anayltical purposes and so
6 forth.

7 Q. Is it fair to say that the laboratory
8 may have produced different wastes and by-products
9 than production at the factory?

10 MS. BECK: Objection to the form.

11 A. I am not sure I agree with that. .

12 Q. Are you saying there would not have been
13 different wastes and by-products from the
14 laboratory operation than the production operation?

15 A. There could have been different wastes.
16 I agree with that.

17 Q. I refer you to the third page of the
18 exhibit. If says, "Stepan drums left." The fourth
19 line down it says, "MAT 84910;" does that mean
20 anything to you?

21 A. No, I don't know what that is.

22 Q. Let me refer you to the next page, Page
23 965, where it says "Olin" on the top there.

24 A. Yes.

1 Q. Do you know why this page indicates
2 "Olin" as opposed to the prior page which indicated
3 "Stepan waste"?

4 A. No. I have no idea where this came from
5 or who did it.

6 Q. Let me refer you to the page marked 969
7 in the lower right-hand corner. The fifth line
8 refers to "T.P. Skimmings": does that mean anything
9 to you?

10 A. It might mean a treatment plant. I am
11 guessing.

12 Q. Do you know what "Skimmings" are?

13 A. You usually get a small amount of
14 organics off the surface of clarifiers and
15 treatment plants.

16 Q. What did the Wilmington plant do with
17 that?

18 A. They burned it in the boiler and it is
19 -- these are materials coming off a parking lot.

20 Q. Let me refer you to the page marked 970,
21 the ninth substance listed there, can you read what
22 that is?

23 A. "Monoethanoamine."

24 Q. Was that one of your products?

1 A. No.

2 Q. Was it a raw material?

3 A. No.

4 Q. Could it have been something use in the
5 laboratory?

6 MS. BECK: Objection.

7 A. I have no knowledge.

8 Q. The next page, 971. Let me refer you to
9 the second substance which is "Kempore sweepings."
10 Can you tell me what "Kempore sweepings" are?

11 A. In Kempore, the final step of the
12 process was to grind the product to a fine powder
13 by what is called an "air mill."

14 An air mill is the grinding process
15 where you add material into a circulating jet
16 treatment of high pressure air and the product goes
17 in and it grinds itself. When it reaches the right
18 particle size, it leaves the material.

19 In a shift you would grind 4,000 or
20 5,000 pounds probably. During that period, in
21 filling drums, you would always spill 20 or 30
22 pounds on the ground. This was swept up and put
23 into a drum and called "sweepings."

24 Q. What did the plant do with these drums

1 of sweepings?

2 A. We used to put them back into the
3 system. They always went back into the system. We
4 recycled.

5 Q. At the bottom of the page it references
6 "Wytox ADP-F" and then it says "cyanox" --

7 A. "Flakes."

8 Q. "Flakes." What are "cyanox flakes"?

9 A. I think that's somebody else's trade
10 name for that product.

11 Q. Did it look like a flaky-type of
12 material, the Wytox?

13 MS. BECK: Objection.

14 Q. When you produced your Wytox, I believe
15 you had different types of Wytox. Can you tell me
16 what it looked like when you would open up a drum
17 of it?

18 A. The ADP-F could be called flaky.

19 Q. There was a 312 and 345?

20 A. No, that was a liquid, and -- they were
21 liquids. That's trisnonylphenylphosphite. ADP-F
22 is like an aggregate. It was really an aggregate.

23 It looks like someone bought a
24 competitor's material, stored it, and were sending

1 it out for disposal to get rid of it and charging
2 Stepan. We would have sold that product in my day.
3 That's what I get out of that.

4 Q. With respect to Wytox ADP-F, what color
5 was it?

6 A. Beige to dark brown.

7 Q. I will tell you that one of the truck
8 drivers from the Charles George Trucking Company
9 has indicated that he picked up plastic-like
10 flakes, something that looked like plastic-like
11 flakes from the Wilmington plant.

12 A. What period of time was that?

13 Q. I believe it was in the late 1970's.

14 MR. CHEFITZ: Objection.

15 Q. Did the plant have any product that
16 looked like plastic-like flakes?

17 A. No, not that I remember.

18 Q. How about sticky liquid?

19 MS. BECK: Objection.

20 MS. BECK: Like coffee? Objection.

21 A. That's too broad a question.

22 Q. Okay.

23 (A short recess was taken.)

24 Q. I am going to digress into a different

1 subject area, then I will get back to the product.

2 A. Are we finished with the last exhibit?

3 Q. Yes, I believe we are.

4 I want to focus on the period when
5 you started at the Wilmington facility; what date
6 was that?

7 A. July of 1957.

8 MS. BECK: I am going to object to
9 any questions any earlier than 1964. The complaint
10 starts in 1967 I believe. I just don't think that
11 there is a reasonable basis for going back prior to
12 1964.

13 MR. FRANKEL: I believe the
14 complaint alleges disposals from at least I think
15 the date 1963. I forget what the later date was,
16 but as drafted, it is not limited to a specific
17 time period.

18 What I would like to ask the
19 witness to answer relates to contacts with the
20 Charles George Trucking Company specifically, and I
21 would like the witness to tell me which particular
22 persons at the Charles Geroge Trucking Company had
23 communications with the Wilmington plant.

24 MR. CHEFITZ: Objection. Before the

1 witness answers, I would like to ask for a
2 continuing objection to this line of questioning,
3 on the grounds that the discovery has passed with
4 respect such questions.

5 MR. FRANKEL: You may have a
6 continuing objection on that basis.

7 MR. CHEFITZ: I also object to the
8 question on the grounds it is vague with respect to
9 the time periods.

10 MR. FRANKEL: Well, first of all,
11 with respect to the general objection on whether or
12 not these questions are permitted, it is the
13 government's position they are permitted in terms
14 of discovery. This is a Rule 30 (b) (6)
15 deposition. So I am asking the witness to give me
16 information that's available or reasonably
17 available to Stepan's Company.

18 MR. CHEFITZ: I don't have any
19 problem as long as the witness indicates whether he
20 is answering from his own personal knowledge. I
21 still object with respect to the time period.

22 MS. BECK: I want a continuing
23 objection to anything that pertains to a time
24 period prior to 1964 when the facility was

1 purchased by Fisons under the name National
2 Polychemicals, Inc..

3 MR. FREDERICO: I object to that
4 characterization of that transaction.

5 Q. Can you tell me first from your own
6 personal knowledge when the Wilmington plant first
7 had dealings with the Charles George Trucking
8 Company?

9 A. I think I testified earlier that it was
10 in the early '60s.

11 Q. I believe that's the case.

12 A. An estimate, in the early '60s.

13 Q. Do you know from your own personal
14 knowledge which persons at the Charles George
15 Trucking Company were contacted --

16 A. No.

17 Q. Have you spoken to anyone else at Stepan
18 who informed you concerning this issue?

19 A. No.

20 Q. Can you tell me which of the plant
21 employees at that time would have dealt with the
22 Charles George Trucking Company? I am talking now
23 about the initial relationship in the early '60s.

24 MR. FREDERICO: I object to the

1 form.

2 A. Howard Moorman might have. He is
3 deceased.

4 Q. Anybody else?

5 A. Anthony Green probably had some. June
6 Plumer.

7 Q. What was Anthony Green's position at the
8 time?

9 A. He was the purchasing agent.

10 Q. Would the purchasing agent have been the
11 person who would have contracted for waste
12 disposal?

13 A. On an administrative basis he might
14 have.

15 Q. Is there anyone else that worked with
16 Mr. Green?

17 A. June Plumer worked for him.

18 Q. Do you know where June Plumer is now?

19 A. No, I don't, no idea.

20 Q. Let me move forward in time now to the
21 late 1960's.

22 MR. FREDERICO: After the Stepan
23 purchase, correct?

24 Q. Let's say from the Stepan purchase in

1 1968 until around 1974. Do you know from your own
2 personal knowledge who at the Charles George
3 Trucking Company had contact or communications with
4 the Wilmington plant?

5 A. No.

6 Q. Has anyone else at Stepan given you this
7 type of information?

8 A. No.

9 Q. Do you know which plant employees during
10 that time period would have communicated with the
11 Charles George Trucking Company on disposal issues?

12 MS. BECK: Objection.

13 Q. Would it be the same persons you
14 testified about earlier?

15 A. Basically yes.

16 Q. Anthony Green?

17 A. Until '73 when I moved to Chicago.

18 Q. How about June Plumer?

19 A. Yes.

20 Q. Was there anyone else during that period
21 '68 through '74?

22 A. Not that I can recall.

23 Q. The same series of questions for '74
24 through '80?

1 this is one of the subject matters of the Rule 30
2 (b) (6) notice, and to the extent there are other
3 Stepan employees, present employees that have
4 knowledge of this area, I would ask that they be
5 produced.

6 MR. CHEFITZ: I am going to object.
7 We are past the discovery deadline. The court has
8 not said that depositions can be taken by the
9 government solely on that issue. You cannot ask
10 counsel to provide a witness solely on that issue.
11 I state my objection on the record.

12 MS. BECK: I am going to object.
13 Stepan has provided Mr. Riley in response to the 30
14 (b) (6) notice and does not intend to provide
15 anybody else on this 30 (b) (6) notice.

16 MR. FRANKEL: My position is on the
17 record. I think communications between the Charles
18 George Trucking Company and Stepan are relevant.
19 I am asking for information relating to
20 communications between the Wilmington plant and the
21 Charles George Trucking Company. I think that
22 certainly encompasses relevant information with
23 respect to the waste that may have been picked up
24 by the Charles George Trucking Company at the

1 Wilmington plant. But in any event, I don't have
2 any further questions at this point on that issue.

3 Q. I believe you testified previously that
4 that Charles George Trucking Company picked up
5 dumpsters at the Wilmington plant, and I believe
6 you also testified that the Charles George Trucking
7 Company picked up the calcium sulfate sludge at the
8 Wilmington plant; is that correct?

9 A. Yes.

10 Q. Did you also previously testify that
11 there were 30 large containers taken to the site on
12 an annual or semi annual basis, to the Wilmington
13 plant?

14 A. Yes. I testified that once a year there
15 could have been.

16 Q. Do you know which company removed those
17 containers?

18 A. No, I don't.

19 Q. Are you aware of any other transporters
20 that may have picked up waste material at the
21 Wilmington plant other than the Charles George
22 Trucking Company?

23 MS. BECK: During what time period?

24 Q. At any time period?

1 A. No.

2 Q. Do you know whether BFI ever picked up
3 waste material at the Wilmington plant?

4 A. No, I don't.

5 Q. You don't know either way?

6 A. No.

7 Q. Let me make sure I understand your
8 testimony. Are you saying that they did not or
9 that you don't know?

10 A. I am saying I have no knowledge of other
11 people picking up trash at the Wilmington plant.

12 Q. Would you have been in a position to
13 have that knowledge had it occurred?

14 A. Possibly.

15 MR. FRANKEL: I would like to mark
16 as Exhibit 24 a memo dated November 4, 1981. It is
17 from R. Gulliani to G. Nolan on Olin stationery.

18 (Exhibit No. 24 was marked for
19 identification.)

20 Q. Have you ever seen this memo before?

21 A. Yes.

22 Q. Let me refer you to the first section of
23 the memo where under "Reason" it states, "Disposal
24 of hazardous waste that was on the premises at the

1 time of acquisition." Again, do you know what that
2 refers to?

3 A. No.

4 Q. The second line refers to "installation
5 of sewer line"?

6 A. Yes.

7 Q. Can you tell me what that refers to?

8 A. No.

9 Q. At the very bottom of the memorandum it
10 states, "Removal and repackaging of OBSH and OBSC.
11 Disposal of paraformaldehyde removed from old
12 formaldehyde storage tank."

13 A. Over a long period of time, you can form
14 some solid paraformaldehyde in the liquid tank.

15 Q. Is that residue that would have
16 collected at the bottom of the tank?

17 A. Yes. And they were getting rid of the
18 tank apparently, and they had some residue in the
19 tank.

20 Q. Do you know what the Wilmington plant
21 did with this paraformaldehyde prior to the Olin
22 purchase?

23 A. This is just when ^{they} we were getting rid of
24 the tank. We didn't get rid of the tank. We had

1 the tank.

2 Q. Was the tank cleaned out on a regular
3 basis?

4 A. No.

5 Q. So you believe that this may have been
6 the only time that paraformaldehyde was removed
7 from the tank?

8 MS. BECK: Objection.

9 A. It might have been once or twice in
10 twenty years.

11 Q. But you don't know?

12 A. I don't know. It wasn't a regular
13 function.

14 MR. FRANKEL: I would like to mark
15 as Exhibit 25 an April 11, 1983, memo from R.
16 McBrien to John Margherio. It is a four-page
17 document.

18 (Exhibit No. 25 was marked for
19 identification.)

20 Q. Who is John Margherio?

21 A. He was an Olin executive.

22 Q. The first page of this exhibit it
23 states, "Attached are three sheets which show
24 details of waste disposal of 'Stepan' materials"

1 and Stepan is in quotes. Then turning to the first
2 page of the attached sheets, have you ever seen
3 this document before?

4 A. I don't believe I have.

5 Q. Do you know what it is?

6 MS. BECK: Objection.

7 A. Not really. Only what I read.

8 Q. Let me refer you to the column marked
9 "type material."

10 A. Yes.

11 Q. On the second line it says, "dirt/oil"?

12 A. I have no idea what that is.

13 Q. Let me refer you to down to where it
14 says, "DOP/dirt/Wytoc." Do you know what "DOP" is?

15 A. I assume that is dioctyl phthalate.

16 Q. While you were at the Wilmington plant,
17 were there ever spills of materials onto the
18 ground?

19 MS. BECK: Objection.

20 A. In what period of time?

21 Q. In any period?

22 A. I can't remember any.

23 Q. Do you know whether there were ever any
24 cleanups involving digging up dirt that may have

1 been contaminated by the spill, at any time?

2 A. No, I don't remember anyone doing that.

3 Q. If that had occurred at any time, who at
4 the plant would have cleaned up the spill? Let me
5 start with the '60s?

6 A. I don't know. It didn't happen.

7 Q. At the very bottom of the page it refers
8 to "Wyttox, dirt and Kempore," "Dirt" can you tell
9 me what that might refer to?

10 A. I have no idea. We didn't ship dirt
11 with our products in my era.

12 Q. Is it possible this is a waste product
13 as opposed to something intended to be sold in the
14 market?

15 MS. BECK: Objection.

16 MR. FREDERICO: Objection.

17 MS. BECK: Don't guess.

18 A. I have no knowledge.

19 Q. Let me refer you to the second page of
20 the attachment, so the third page of the document.
21 The fourth line says, "Wyttox ADP-F (cyanox
22 flakes)."

23 A. Yes.

24 Q. Is this the same material that you spoke

1 about earlier?

2 A. I think it is.

3 Q. Let me refer you to the very bottom of
4 the page. The last three lines are "Contaminated
5 dirt under Plant B storage tanks." What were the
6 Plant B storage tanks?

7 A. This was a bulk liquid storage area next
8 to the building called "Plant B."

9 Q. What was stored in those tanks?

10 A. At what period?

11 Q. Let's start with the 1960's, prior to
12 1968?

13 A. Diisobutylene.

14 Q. Diisobutylene?

15 A. Yes.

16 Q. Were there other substances stored
17 there?

18 A. There could have been, but I don't
19 recall what was there.

20 Q. What about from 1968 through 1974?

21 A. Whenever the production stopped on the
22 Wytox, the diisobutylene would not have been there.
23 Dioctyl phthalate was also stored there.

24 Q. That was during the period from '68

1 through '74?

2 A. Yes.

3 Q. Were there any other materials from '68
4 through '74?

5 A. No.

6 Q. What about from '74 through the Olin
7 purchase in 1980?

8 A. It would have been the same.

9 Q. Are you familiar with how this dirt was
10 contaminated?

11 MS. BECK: Objection.

12 A. No.

13 Q. Let me refer you to the very last page
14 of this exhibit. The last row indicates "East
15 ditch cleanup, Plant B tank farm." Is the "Plant B
16 tank farm" the same as the "Plant B storage tank"?

17 A. I would assume it is.

18 Q. Do you know anything about an east ditch
19 cleanup?

20 A. No.

21 Q. Mr. Riley, the purchase of the
22 Wilmington plant by Olin, was that in about
23 September of 1980?

24 A. That's correct.

1 Q. Did Olin intend to operate the plant
2 after 1980?

3 A. As far as I know.

4 Q. Do you know how long Olin operated the
5 plant?

6 A. I am not quite sure.

7 Q. Do you know whether the plant presently
8 exists?

9 A. No. The plant was closed around 1986,
10 but I think parts of it were terminated.

11 Q. Do you know what Olin produced at the
12 plant?

13 A. No, I am -- they continued certain
14 products that Stepan was making, but I can't tell
15 you which ones. I can't tell you what new products
16 they brought in.

17 MR. FRANKEL: I would like to mark
18 as Exhibit 26 an annual hazardous waste report
19 submitted by Olin Corporation dated March 1, 1982
20 for the 1981 reporting year.

21 (Exhibit No. 26 was marked for
22 identification.)

23 Q. Mr. Riley this is a waste report
24 submitted by Olin Corporation that reports on the

1 wastes produced by the Wilmington plant during the
2 year after Olin purchased the plant from Stepan.

3 What I want to ask you is whether
4 or not the Wilmington plant produced these wastes
5 prior to the Olin purchase in September of 1980. I
6 would refer you to the page that is marked 940 on
7 the bottom right-hand corner.

8 A. Okay.

9 Q. Under the description of waste it says,
10 "waste by-product ammonia from Kempore
11 manufacturing."

12 A. Yes.

13 Q. Can you tell me whether or not there was
14 waste by-product ammonia produced by the Wilmington
15 plant prior to the Olin purchase in 1980?

16 A. I am not sure when this started. At
17 some point in the '70s they started -- they changed
18 the process for making azodicarbonamide, and they
19 were recovering ammonia and using it. That was a
20 by-product. I don't know why someone would call it
21 a waste.

22 Q. Your testimony is that in the late
23 1970's --

24 A. Sometimes in the '70s. I am not sure

1 when.

2 Q. Ammonia was a by-product of the Kempore
3 manufacturing?

4 A. Yes.

5 Q. What did the Wilmington plant do with
6 that ammonia?

7 A. It was reacted with formaldehyde to form
8 a raw material for the DNPT.

9 Q. Was any of the ammonia disposed of?

10 A. No. It was used. It was valuable.

11 Q. Do you know why Olin would have been
12 disposing of the ammonia as opposed to reworking
13 it?

14 MS. BECK: Objection.

15 A. No idea.

16 Q. Let me refer you to the page that is
17 marked 941 in the lower right-hand corner.

18 A. Yes.

19 Q. The first waste listed is "A-01 PCB
20 capacitors for disposal." Do you know whether the
21 Wilmington plant ever disposed of PCB capacitors
22 prior to the Olin purchase?

23 A. I have no knowledge that they ever did.

24 Q. The next waste is "waste flammable

1 liquid N-O-S." Can you tell me what N-O-S is?

2 A. I have no idea what that is.

3 Q. The forth material is "waste calcium
4 stearate/water." What is calcium stearate?

5 A. It's a salt of calcium compound and
6 stearate acid. It is like a soap.

7 Q. Was this a waste produced by the
8 Wilmington plant prior to the Olin purchase?

9 A. No. I don't know what that is. It
10 certainly is not hazardous. It is nonhazardous.

11 Q. On Page 942, the next page, we have
12 listed "Waste 4, 4' oxybis
13 benzenesulfonylhydrazide." Was that produced by
14 the Wilmington plant prior to the Olin purchase?

15 A. No. That was a product. It was not a
16 waste.

17 Q. In connection with your production of
18 that product, was any of it ever discarded as a
19 waste or disposed of?

20 A. Never.

21 Q. Do you know why Olin was disposing of
22 this as a waste?

23 MS. BECK: Objection.

24 A. I have no idea.

1 (A discussion was held off the record.)

2 Q. The third line down, "Waste
3 paraformaldehyde, solid." It states there were 69
4 drums of this. Is it your testimony that you don't
5 recall any waste paraformaldehyde disposed of prior
6 to 1980?

7 A. That's correct.

8 Q. Let me refer you to the page marked 944
9 on the bottom right-hand corner. The first product
10 under the discription of waste is "Absorbent booms
11 contaminated with dioctyl phthalate disperson
12 drain." What is "dioctyl phthalate disperson
13 drain," if you know?

14 A. I have no idea.

15 Q. Do you know what "absorbent booms"
16 refers to?

17 A. I have no idea.

18 Q. No. 6 is "Wytox contaminated with
19 dioctyl phthalate and dirt." Is this a waste that
20 was ever produced at the Wilmington plant prior to
21 1980?

22 A. I have no knowledge of that.

23 Q. Do you know whether or not the Wytox you
24 produced was ever contaminated with dirt?

1 A. I have no knowledge it ever was.

2 Q. No. 7, this waste is filters
3 contaminated with muriatic acid. What is muriatic
4 acid?

5 A. The other name for hydrochloric acid.

6 Q. Do you know which filters at the plant
7 would have been contaminated by muriatic acid?

8 A. No. I don't know what this refers to
9 (indicating).

10 Q. How about the last waste, "Waste
11 diallylamine?

12 A. I know nothing about that.

13 Q. Let me refer you to Page 945. Let me
14 just ask you to look at the seven wastes that are
15 listed there, and ask you to tell me for each one
16 of them whether or not those wastes were produced
17 by the Wilmington plant prior to the Olin purchase
18 in 1980?

19 A. They were produced -- none of these were
20 produced.

21 Q. None of these were waste products?

22 A. That were produced, no.

23 Q. Were any of these raw materials?

24 A. They could have been. They could have

1 "nonylphenol"?

2 A. We never disposed of that. That would
3 have been reused.

4 Q. How about "dirt contaminated with
5 mineral seal oil"?

6 A. I don't know what that is.

7 Q. "Adipic dihydrazide"?

8 A. That's a new material. That must have
9 been brought in by Olin.

10 Q. What is "potassium stearate"?

11 A. That is a soap. You could wash your
12 hands with that.

13 Q. The "Wytox floor sweepings" and "Kempore
14 floor sweepings," I believe you talked about
15 previously?

16 A. Yes. "Benzophenone hydrazone," that's
17 unfamiliar to me. It must have been brought in by
18 Olin.

19 MR. FRANKEL: I would like to mark
20 as Exhibit 27 a waste disposal agreement entered
21 into by Olin Corporation and Cecos International,
22 Inc., which is dated March 18, 1982.

23 MS. BECK: I am going object to any
24 inquiry into anything that Olin did. This witness

1 has no knowledge of what went on after Olin
2 purchased the facility and it is not covered in
3 your Rule 30 (b) (6) deposition notice.

4 MR. FRANKEL: I am asking the
5 witness questions about these documents, because
6 they indicate the waste streams from the Wilmington
7 plant during the year or two immediately following
8 the Olin purchase. I think for discovery purposes
9 under Rule 26 the types of waste produced by the
10 plant immediately after the purchase would be
11 relevant.

12 I am not going to ask the witness
13 if he knows specifically what Olin was doing in
14 terms of its production or waste flow. I am going
15 to refer to documents and will ask him whether the
16 Wilmington plant produced these wastes prior to the
17 Olin purchase.

18 MS. BECK: I would ask you,
19 Mr. Frankel, if you would refrain from asking
20 questions he has already answered. You have
21 covered a number of areas more than once in this
22 morning's deposition.

23 (Exhibit No. 27 was marked for
24 identification.)

(Witness confers with counsel.)

Q. Have you ever seen this document before?

A. I think I have. I believe so.

Q. Did you see it prior to your preparation for this deposition?

A. I think I saw it in preparation.

Q. Let me refer you to Page 838.

A. Yes.

Q. Do you know what this page refers to? Are you at all familiar with it?

A. I have already testified to the fact I don't know what "absorbent booms contaminated with dioctylphthalate dirt" refers to.

Q. Let me refer you to Page 844. It says, "Wytox Pap floor sweepings"?

A. Yes.

Q. What is "Pap"?

A. That was a product that was an antioxidant for rubber, for latex.

Q. Is that product code an Olin product code?

A. The product code? I couldn't be sure. I don't remember.

Q. Let me refer you to the analysis for

1 this. Under "Composition" it says,
2 "Trisnonylphenyl phosphite, 30 to 40 percent; acta
3 foam F-2 powder, 3 to 5 percent; dirt, 60 to 70
4 percent; water, 3 to 4 percent." Do you know
5 whether or not that would be an accurate analysis
6 for Wytox floor sweepings?

7 A. That wouldn't be a product. That is a
8 mixture of materials. Things are being thrown
9 together there.

10 Q. Would this have been an accurate
11 analysis of the sweepings?

12 A. No. That doesn't describe anything.
13 "Wytox Pap" was a specific product, and this is
14 indicating a mixture of things thrown together.

15 Q. Would the floor sweepings be picked up
16 with other products off the floor?

17 MS. BECK: Objection.

18 A. I have no idea. That doesn't fit.

19 Q. Look at the next page for "Kempore
20 sweepings dirt."

21 A. Yes.

22 Q. Under "Competition" it says,
23 "Azodicarbonamide, 80 to 90 percent; dirt/sand, 10
24 to 15 percent." Does that one make sense to you?

1 A. I don't know that there would be that
2 much dirt in it.

3 Q. Could the dirt have come from sweepings
4 off the floor?

5 MS. BECK: Objection.

6 A. Not that much. I don't know the reason
7 for that analysis.

8 MR. FRANKEL: I would like to mark
9 as Exhibit 28 an agreement dated May 7, 1982,
10 entered into by Olin Corporation and Rollins
11 Environmental Services, entitled "Waste Disposal
12 Agreement."

13 (Exhibit No. 28 was marked for
14 identification.)

15 Q. I am going to attempt not to ask you
16 about any substances I have already asked you
17 about, so if I do, tell me to move on.

18 A. All right.

19 MR. FREDERICO: On my copy, on Page
20 864 there are some notes that I believe may be the
21 government's notes. I would object to that being
22 part of the exhibit.

23 Q. Page 750 refers to "nonylphenol recovery
24 from pretreatment sump #1." Can you tell me what

1 the "pretreatment sump #1" is?

2 A. That's a part of the treatment plant,
3 the water treatment plant.

4 Q. Was nonylphenol recovered from that
5 sump?

6 A. Not normally.

7 Q. Was it ever recovered from that sump?

8 A. No. Nonylphenol was put in a storage
9 tank and put in the reactor.

10 Q. You can't explain why nonylphenol might
11 have been recovered from the pretreatment sump
12 No. 1?

13 MS. BECK: Objection.

14 A. No.

15 Q. Page 753, "waste cyclohexanol," have you
16 mention that previously?

17 A. We have been over that one drum about
18 four times. I said I didn't know what it was and
19 where came from.

20 Q. That's the one you thought might have
21 been from the lab?

22 MS. BECK: Objection.

23 A. That is a possible explanation. I have
24 no knowledge where it came from or whether Olin

1 brought it in for a new product.

2 Q. Let me refer you to Page 756, "Alcohol
3 spent solvents" is referred here. Was this a waste
4 that was produced prior to the Olin purchase?

5 A. I don't know what that refers to. I
6 have no knowledge of that. That looks like
7 something Olin was doing.

8 MR. FRANKEL: I'd like to mark as
9 Exhibit 29 the affidavit of Charles P. Riley, Jr.

10 (Exhibit No. 29 was marked for
11 identification.)

12 Q. Is this a copy of an affidavit that you
13 executed?

14 A. It looks like it, yes.

15 Q. Do you recall executing this affidavit?

16 A. Yes, I believe so.

17 Q. Do you know for what purpose you
18 executed the affidavit?

19 A. No. I am not sure.

20 Q. This is dated November 10th, 1988?

21 A. Yes, I see that.

22 Q. Would you take a look at the second
23 paragraph and just confirm that what is stated in
24 there is accurate?

1 MS. BECK: We are having a little
2 trouble reading some of the numbers.

3 Q. Which one are you having --

4 A. The first number from 1957 until '87.

5 Q. "'67."

6 A. 1967, all right.

7 Q. I agree it is hard to read. I think
8 from July 1957 until 1967, then '67 until '70.

9 A. Yes.

10 Q. '70 until '76.

11 A. Yes, that's accurate.

12 Q. The last date is 1968 as I read it. Let
13 me refer you to the fourth paragraph.

14 A. Fourth paragraph?

15 Q. Right. It states that "The trash from
16 this company was picked up every two to three days.
17 This trash consisted of office trash, paper
18 products, broken wood pallets, metal pipes and
19 fittings. There was no trash that can be
20 considered as hazardous waste"; is that an accurate
21 statement?

22 A. Yes, it is.

23 Q. At the time you executed this affidavit,
24 how did you know what types of materials were

1 picked up from the Wilmington plant?

2 A. Because I was in the plant every day,
3 walking by the dumpsters and saw what was put into
4 the dumpsters.

5 Q. You didn't personally fill the
6 dumpsters, did you?

7 A. No.

8 Q. Who --

9 A. I am not sure what question this
10 answered (indicating). There must have been a
11 question that this answered under No. 4, and I am
12 not sure at this point what that is. I am sure
13 that I answered something.

14 Q. Who would have put the materials into
15 the dumpster?

16 A. Janitors from the office building,
17 operators from the plant.

18 Q. Can you give me the names of any of
19 those janitors at any period of time?

20 A. Not today I couldn't.

21 Q. How about operators?

22 A. We had a cleaning service that came and
23 cleaned the office.

24 Q. How about operators?

1 A. Oh, there was a Charles Normandin, Mike
2 Marciano.

3 Q. He was one of the operators?

4 A. At one time he was.

5 Q. So he would have put materials into
6 these dumpsters?

7 A. At times.

8 Q. Anybody else?

9 A. Well, there was a lot of people working
10 at that plant. You don't want me to list everyone.
11 I have forgotten most of the names. It's been a
12 long time.

13 Q. Do you know where the first individual
14 you named is now located?

15 A. No, I have no idea. I don't know any of
16 the people.

17 Q. The second sentence there says, "There
18 was no trash that can be considered as hazardous
19 waste." Can you tell me what you meant by the term
20 "hazardous waste"?

21 A. As referring to the OSHA system for
22 classifying materials as hazardous or nonhazardous.

23 Q. So you were referring to OSHA
24 regulations; is that right?

1 A. Yes.

2 Q. You were not referring to CERCLA?

3 A. Actually both OSHA and CERCLA.

4 Q. Let me just tell you that there is a
5 Resource Conservation Act called RCRA that has a
6 definition of hazardous waste and CERCLA has a
7 definition of hazardous substances. When you
8 submitted this affidavit were you familiar with the
9 differences between these definitions?

10 A. You are asking a different question. I
11 am not sure what I was using at the time in '88 to
12 answer this, and I don't know what question this
13 answers. This must have answered some question
14 posed to me.

15 Q. Okay.

16 A. If you would give me the question, I
17 could probably tell you what my mindset was at that
18 time.

19 Q. Right. I am not sure there was a
20 question. It may be you just listed this
21 information, 1, 2, 3 and 4.

22 A. There had to have been a question that I
23 answered. I wouldn't come up with these -- what I
24 was saying, I was classifying something as

1 hazardous under the 4 OSHA classifications of
2 flammable, explosive, corrosive or generally toxic.

3 Q. Okay. Do those OSHA regulations list
4 specific wastes, do you know?

5 A. They don't, but they do -- the list of
6 300 comes out of those regulations I believe.

7 Q. Under OSHA?

8 A. I think when CERCLA was put together,
9 they used OSHA's definitions to come up with the
10 list of 300.

11 MR. FRANKEL: Now I am going to
12 mark as Exhibit 30 a group exhibit. This exhibit
13 consists of Charles George Trucking Company
14 statements issued to Stepan Chemical Co., in
15 Wilmington, Mass. These statements I believe are
16 dated from 8/26/78 through 9/29/79.

17 (Exhibit No. 30 was marked for
18 identification.)

19 Q. In addition to these various statements,
20 there are attached to the statements Charles George
21 Trucking Company customer copies which appear to
22 indicate the container size in question.

23 I believe there are thirteen
24 separate statements in this group exhibit, some of

1 which have a Charles George Trucking Company slips
2 attached to them.

3 A. (Witness review document.)

4 Q. Have you ever seen these before,
5 Mr. Riley?

6 A. I can't say that I have.

7 Q. Do you know what these charges were for?

8 A. They look like charges for trash from
9 Stepan, taken away by Charles George.

10 Q. You say they look like it, do you know
11 either way?

12 A. I can't be a hundred percent sure.

13 Q. Let me refer you to the third page of
14 the exhibit. The third page of the first stapled
15 document. It says, "Charles George Trucking
16 Company customer copy No. 13578?"

17 A. Yes.

18 Q. Underneath it says, "Stepan Chem.,"
19 dated September 25, 1978. The container crossed
20 off there is a 40 packer. Does that mean anything
21 to you?

22 A. No. It is just the size of the truck
23 that was being used.

24 Q. Do you know the difference between an

1 open and a packer?

2 A. No, I can't say that I do.

3 Q. Where it is checked under "Other" it
4 says "S/W," do you know what that would mean?

5 A. No.

6 Q. There is a name at the bottom, "Kathy
7 Raye," at the bottom of the page. Do you know who
8 that is?

9 A. No, I have no idea.

10 Q. Let me refer you to the very first page
11 of the group exhibit. The bottom says, "approved
12 by" -- is that "June Plumer"?

13 A. It looks like it, yes. These are all
14 pickups I am pretty sure from the compactor. If
15 you look at the time in and time out, there was
16 about a half-hour spent in the plant. These were
17 definitely pickups in some kind of trash truck.

18 Q. Do you know whether or not the Charles
19 George Trucking Company was in fact making pickups
20 during this time period from '78 to late '79?

21 A. I think they were. I would see their
22 trucks in the yard.

23 Q. During that period you were in Chicago,
24 weren't you?

1 A. Yes.

2 Q. Did you visit the Wilmington plant at
3 the time?

4 A. Every so often I did.

5 Q. Is that when you would have seen their
6 trucks in the yard?

7 A. Yes.

8 Q. These invoices and statements only cover
9 the period 8/26/78 through 9/29/79. Do you know
10 whether or not the Wilmington plant received
11 invoices for the prior period of time --

12 MR. CHEFITZ: Objection.

13 Q. -- from the Charles George Trucking
14 Company?

15 A. I have no idea. I didn't receive the
16 invoices.

17 Q. If the Wilmington plant had received
18 invoices for the prior period of time, do you know
19 where they would be located now?

20 A. I have no idea.

21

22 (A lunch break was taken.)

23

24

A F T E R N O O N S E S S I O N

MR. FRANKEL: I would like to mark as Exhibit 31 a letter dated March 20, 1989, from Jeffrey W. Barlett to Ms. Susan Cortina de Cardenas. It has three pages attached to it.

(Exhibit No. 31 was marked for identification.)

Q. I ask the witness to take a look at that response.

A. (Witness reviews document.)

Q. Have you had a chance to look at that?

A. Yes.

Q. Did you assist in the preparation of this response?

A. I think I discussed it. I was asked questions that pertained to it.

Q. Paragraph 1 indicates that it was answered "on information and belief by Jeffrey Bartlett following discussions with C.P. Riley, vice president of manufacturing," would that be yourself?

A. Yes, that's me.

Q. Let me refer you to Paragraph 4. It refers to the enclosed affidavit of Mr. Riley.

1 This copy of the response doesn't include the
2 affidavit. Would that be the affidavit that we
3 looked at previously today, if you know?

4 A. The response -- I don't understand.

5 Q. It states, "All records were left at the
6 premises and the information submitted hereunder is
7 based upon the recollection of Charles P. Riley.
8 (See also enclosed affidavit Mr. Riley)."

9 A. Yes, that could have been. That is the
10 10th of November and this is dated '89 and that was
11 10/88. I can't be sure.

12 Q. Let me refer you to No. 4 listed here.
13 I can tell you that No. 4 is in response a question
14 which states, "Briefly describe your company's
15 business activity between 1968 and 1983. Identify
16 and describe all materials (as defined) that you
17 disposed of between 1968 and 1983, including but
18 not limited, all hazardous waste as defined in the
19 Resource Conservation and Recovery Act." You list
20 "plastic and rubber additives."

21 MS. BECK: Let the record reflect
22 this is Mr. Bartlett's response.

23 MR. CHEFITZ: I object.

24 MR. FRANKEL: Okay. I will mark as

1 Exhibit 32 what I believe is a letter to Stepan.
2 Unfortunately I don't have the cover letter with
3 me. It contains all the questions that were
4 included in the letter. Questions 1 through 7
5 which correspond to the questions here. After the
6 deposition I can provide copies of the cover sheets
7 as well.

8 (Exhibit No. 32 was marked for
9 identification.)

10 Q. If you would look at response 4A, where
11 it says, "plastic and rubber additives." Can you
12 tell me which plastic and rubber additives that
13 refers to that were disposed of?

14 A. Which plastic and rubber additives?
15 This doesn't seem to tie in at all. This letter to
16 this (indicating)? 4A does not answer the question
17 that's asked in 4A of this letter.

18 Q. You don't believe it does?

19 A. No, it doesn't. This is asking for each
20 material disposed of and 4A is describing a
21 business of plastic and rubber additives. That's a
22 description of the business, not a description of
23 things being disposed of.

24 Q. You are telling me they were not

1 disposed of?

2 MS. BECK: I think Mr. Riley has
3 already answered your question of what was disposed
4 of for the period of time he work at the Wilmington
5 facility.

6 Q. I am just trying to get an understanding
7 of the response.

8 A. These don't tie in. There is something
9 wrong. 4B asks the question "Total volume, in
10 gallons for liquids and tons for solids, generated
11 annually."

12 Q. I believe the answer provides the
13 volumes.

14 MS. BECK: We talking about the
15 products produced at Wilmington.

16 A. These do not tie in. This is not
17 answering these questions in my mind. It doesn't
18 seem to be right.

19 Q. I believe it is, but let's turn back to
20 4A. Is it your testimony that plastic and rubber
21 additives were not disposed of?

22 A. Yes, absolutely.

23 Q. 4B, it says, "Products produced at the
24 Wilmington, Massachusetts plant were primarily

1 organic solids precipitated from aqueous systems.
2 The products were recovered by filtration and the
3 waste products in the aqueous stream discharged
4 into the Metropolitan District Commission Regional
5 Sewer. Materials disposed of in this matter
6 include," and then lists seven substances and
7 estimated amounts. Is that accurate as far as you
8 know?

9 A. Yes, that's accurate for wastes.

10 Q. Is it accurate that these wastes were
11 discharged into the Metropolitan District Regional
12 Sewer?

13 A. The ones on the first page were wastes,
14 but the others are not. "Azodicarbonamide" is a
15 product. "Dinitrosopentamethylene tetramine" is a
16 product. Those were not sent to any sewer to be
17 disposed of.

18 Q. How about the "diisobutylene"?

19 A. That's a raw material that wasn't
20 disposed of through the sewer. That was used to
21 make the Wytox ADP-F. This doesn't tie into these
22 questions.

23 Q. How about 4C, the question asked about
24 the specific manufacturing processes and 4C states,

1 "Chemical manufacturing processes were run to
2 produced additive for rubber and plastic processes.
3 Processes would include, diazotization,
4 condensation, alkylation and oxidation reactions";
5 is that correct?

6 A. Yes.

7 Q. 4D asked for all the names and addresses
8 of material transporters. You have listed "Charles
9 George (see enclosed documents). These are the
10 only documents we have concerning waste disposal
11 from our former Wilmington, Delaware plant."

12 A. That should be "Wilmington,
13 Massachusetts."

14 Q. Wilmington, Massachusetts?

15 A. Yes.

16 Q. There is no plant in Delaware?

17 A. No.

18 Q. Let me ask you about the list, it goes
19 from 1 through 26.

20 A. Yes.

21 Q. Can you explain to me what this means
22 right above that list where it states, "During this
23 time period Stepan Company, other than its
24 Wilmington plant, sold to customers in New

1 Hampshire and Massachusetts the products listed
2 below. Stepan did not sell product to the
3 Wilmington, Massachusetts plant"?

4 A. Those were the products they were
5 selling to other customers in the region.

6 Q. But these were products that were not
7 produced by the Wilmington plant?

8 A. That's right.

9 Q. Question 5 states, "Provide the final
10 destination of the waste removed from your facility
11 and state any instructions which you might have
12 provided to transporters to the destination of the
13 waste." Stepan has responded "Charles George
14 Landfill, Tyngsborough, Massachusetts, and
15 Metropolitan District Regional Sewer."

16 I believe you previously testified
17 that the Charles George Trucking Company picked up
18 certain materials from the Wilmington plant, but
19 that you didn't know where the Charles George
20 Trucking Company took those materials; is that
21 correct?

22 A. That's correct.

23 Q. Do you know where this information was
24 obtained from --

1 A. No, I don't.

2 Q. -- that the Charles George landfill was
3 the destination for the waste?

4 A. I have no idea.

5 Q. Do you know whether Mr. Bartlett spoke
6 with anyone other than yourself to obtain these
7 responses?

8 A. No, I don't.

9 Q. No. 6 asks, "State whether any of the
10 following entities have been contacted by you and
11 whether they have ever been engaged by your company
12 for removal, transportation or disposal of
13 materials." The answer listed is "no" for all of
14 these, A through G. I was wondering why the answer
15 was no for the Charles George Trucking Company?

16 A. I have no idea. This whole thing is a
17 little out of wack. I didn't write it.

18 Q. No. 7, "Identify the person with whom
19 you did business from Charles George Trucking
20 Company, Vachon Trucking and Charles George Land
21 Reclamation Trust." The answer is "Other than as
22 disclosed on the enclosed invoices, we have no
23 other records." Does that answer appear to be
24 accurate to you?

1 A. I have no idea. I didn't write it.

2 Q. But I am asking you based upon what you
3 know, is there any other information --

4 A. We have no other records beyond what we
5 have disclosed, that's a true statement.

6 Q. Is Jeffrey Barlett located in Chicago?

7 A. Yes.

8 Q. He is in-house counsel at Stepan?

9 A. Yes.

10 (A discussion was held off the record.)

11 MR. FRANKEL: I would like to mark
12 as Exhibit 33 the responses of Stepan Company to
13 United States' first set of interrogatories.

14 (Exhibit No. 33 was marked for
15 identification.)

16 Q. I would ask the witness to take a look
17 at that.

18 MS. BECK: You have already asked
19 him questions about this first set of
20 interrogatories in the first deposition.

21 MR. FRANKEL: That's correct.

22 MS. BECK: You are not going to go
23 over the same ground.

24 MR. FRANKEL: I am not going to go

1 over the same ground.

2 MS. BECK: Is there any particular
3 interrogatory you want him to look at?

4 MR. FRANKEL: Yes.

5 Q. Let me first ask you whether you
6 assisted in the preparation of these responses?

7 A. I supplied some information for them.

8 Q. Do you know whether anyone else supplied
9 the information for these responses other than
10 yourself?

11 A. I don't know.

12 Q. Let me ask you about the responses to
13 interrogatory Nos. 4 and 5?

14 A. Which part of 4?

15 Q. The reference to removal of unidentified
16 trash. There is also a reference to unidentified
17 trash in the answer to interrogatory 5.

18 MS. BECK: What you are talking
19 about is the answer?

20 MR. FRANKEL: The answer, not the
21 question.

22 Q. The answers are on Pages 5 and 6.

23 A. (Witness reviews document.)

24 Q. Is this the trash that you have referred

1 to earlier in your testimony that was placed in
2 dumpsters?

3 A. Yes.

4 Q. You refer to it here as "unidentified
5 trash." Can you tell me why it is unidentified?

6 MS. BECK: These interrogatories
7 were signed by Barlett. They were not signed by
8 Mr. Riley.

9 A. I wouldn't know.

10 Q. You don't know?

11 A. No.

12 Q. Let me refer to you interrogatory No. 6
13 which is Pages 6 and 7.

14 A. (Witness reviewing document.)

15 Q. That interrogatory states "To the extent
16 not already discussed in your response to the prior
17 two interrogatories, please identify all wastes
18 (including empty containers and chemicals disposed
19 of in drums) produced or generated by your former
20 facility in Wilmington, Mass., from January 1st,
21 1964, to September 15th, 1980, the raw materials
22 used in each waste producing activity, the
23 industrial processes that produced such wastes, the
24 method and location of the disposal of such wastes,

1 and the persons that were responsible for the
2 handling and disposal of such wastes. In
3 particular, please indicate whether there were any
4 changes in the waste streams or industrial
5 processes during this period and, if so, indicate
6 the nature and date of thses changes."

7 The response under Part A is
8 "calcium sulfate which was picked up by Charles
9 George Trucking for a period of about one to one
10 and one-half years. Thereafter, this waste stream
11 was disposed of in a licensed landfill at the plant
12 site."

13 My question for you, Mr. Riley, is
14 this the only waste product that was produced by
15 the Wilmington plant from 1968 to 1980?

16 MS. BECK: Objection.

17 A. The only waste product?

18 Q. The only waste?

19 A. There were waste by-products that went
20 to the M.D.C. sewer, and there was trash that went
21 to Charles -- was taken away by Charles George.

22 Q. Was there any other waste?

23 A. I know of no other waste.

24 Q. Do you know why this response is limited

1 to calcium sulfate?

2 A. No, I don't.

3 Q. Let me refer you to interrogatory No. 7
4 which states, "Describe in detail each instance
5 (during any period of time) in which you (or
6 National Polychemicals) arranged by contract,
7 agreement or otherwise for the removal, transport,
8 consignment or delivery of any substance by Charles
9 George Trucking Company and identify the chemical
10 content each such substance, the generating process
11 for such substance, the volume of each substance,
12 and the location of the disposal of such
13 substances." The response states that "Stepan
14 Company is of the believe that this was general
15 trash." Do you know the basis upon which
16 Mr. Bartlett obtained that belief?

17 A. No, I don't.

18 Q. Let me refer you to interrogatory No.
19 15. The response to that interrogatory states in
20 the final sentence that "Stepan Company has no
21 knowledge as to the disposal location of any
22 substances transported by the Charles George
23 Trucking Company." Is that an accurate statement?

24 A. As far as I know, it is.

1 Q. Let me ask you about the disposal of
2 calcium sulfate that you testified to earlier.

3 Do you know whether anyone from the
4 Wilmington plant ever accompanied anyone from the
5 Charles George Trucking Company on a trip to the
6 Tyngsborough landfill?

7 A. Anthony Green may have made a visit.

8 Q. Do you know why Anthony Green was
9 visiting the landfill?

10 MS. BECK: Objection. He said he
11 may have.

12 A. I do not know.

13 Q. What leads you to think that he may
14 have?

15 A. I think I remember him visiting it on
16 one occasion.

17 Q. When would that have been?

18 A. I am not sure what year it was.

19 Q. Do you remember why he was visiting?

20 A. I think someone from Charles George had
21 paid a call on him and Anthony had gone to lunch
22 and visited the site of the new landfill.

23 Q. Do you know whether or not they were
24 visiting the landfill to determine whether or not

1 Stepan would dispose of calcium sulfate at the
2 landfill?

3 A. I don't know that.

4 Q. Do you know whether Stepan ever sought
5 to obtain the approval from any regulatory
6 authority for disposal of waste?

7 MS. BECK: Objection.

8 A. D.E.Q.E. approval.

9 Q. Do you know whether D.E.Q.E. approved
10 that particular landfill?

11 A. I don't know that.

12 Q. Do you know whether or not it was a
13 sanitary landfill?

14 A. Approval was given for landfill
15 disposition and that's the way it was disposed.

16 Q. Was the approval given for any
17 particular landfill?

18 A. I don't believe so.

19 Q. I believe we already have been through
20 interrogatory No. 19.

21 MS. BECK: Yes.

22 Q. Interrogatory 21, the question refers to
23 certain specific materials that were disposed of by
24 the former Wilmington, Mass., facility and the

1 question is whether the material was disposed of
2 through the Metropolitan District Regional sewer,
3 and if not, where it was disposed of?

4 A. That is wrong. Those materials were not
5 disposed of. The first four were. The last three
6 were not. They were products, not materials that
7 were being disposed of, that is the last three --
8 the last two. Two of the last three were products
9 and one was a raw material. None of those
10 substances were disposed of as waste.

11 Q. So the answer "The materials identified
12 in Stepan Company's response are the only ones of
13 which Stepan is currently aware. The waste
14 materials identified in Interrogatory 21 were
15 disposed of by lagooning on the plant site and
16 depending on the availability of Metropolitan
17 Sanitary District Service and were disposed of in
18 municipal sewers. See also documents made
19 available for inspection to response Request No.
20 25." Would your answer then be that in fact three
21 of those substances were not disposed of anywhere,
22 the last three?

23 A. Yes.

24 Q. How about the first four, were they

1 disposed of through the sewer and lagooning or only
2 through the sewer?

3 A. They were disposed of through lagooning
4 on the property. Then when the sewer was
5 available, they were disposed of in the sewer.

6 Q. In response to No. 24 you state "Bill
7 Lundry." Can you tell me who Bill Lundry is?

8 A. He was a sales coordinator.

9 Q. Where is Bill Lundry now?

10 A. He works for Olin Corporation somewhere
11 in Connecticut.

12 MR. FRANKEL: Let me mark as
13 Exhibit 34 the response of Stepan Company to the
14 first document request of the United States.

15 (Exhibit No. 34 was marked for
16 identification.)

17 Q. Let me ask you, did you participate in
18 the response to the document request?

19 A. There isn't much response here.

20 Q. Did you participate in the preparation
21 of the response to that document request?

22 A. I may have supplied some information,
23 but I didn't prepare this (indicating) obviously.
24 This is a legal answer.

1 Q. Did you search for documents at the
2 Stepan Company in Chicago?

3 A. I looked around, but I did not find any
4 documents. I knew there were no documents in
5 Chicago. Everything had been left at Wilmington.

6 Q. Let me focus on 1980 when the plant was
7 purchased by Olin. Is it your testimony that all
8 of the documents remained at the plant?

9 A. Yes.

10 Q. Did Stepan take any of the documents
11 from the plant to their headquarters?

12 A. Not that I know of.

13 Q. Do you know where those documents are
14 today that were left at the plant?

15 A. No, I have no idea.

16 Q. Let me refer you to request No. 27. It
17 requests "All documents that relate or refer to the
18 chemical contents of gypsum cake produced by your
19 former facility located in the Wilmington, Mass."
20 The response is "none."

21 A. There were no documents in Chicago.
22 This was all left at the Wilmington plant.

23 Q. Do you know whether or not any documents
24 were ever created at any period of time relating to

1 the contents of gypsum cake?

2 A. There were letters to the Department of
3 Environmental Quality and to the Department of
4 Public Health of Wilmington. There were a sequence
5 of those to justify the land filling of that
6 material.

7 Q. Is one of those letters Exhibit 5 to
8 this deposition?

9 A. Yes, that's one of them.

10 Q. So there are some documents, at least
11 one that would be responsive?

12 A. Yes.

13 Q. Do you know of any other analyses other
14 than that one that was ever created --

15 A. No.

16 Q. -- whether or not you still have them at
17 Stepan?

18 A. We have no information at Stepan. There
19 are no files, engineering environmental files
20 referring to the Wilmington plant.

21 Q. Do you know who prepared that analysis
22 in that letter?

23 MS. BECK: I think we already went
24 over this in his first deposition.

1 A. We went through this before, and I
2 testified I didn't know who did this analytical
3 work, what laboratory. How it was done, and I
4 couldn't really comment on it.

5 Q. Okay. Mr. Riley, when product was
6 shipped out to a customer from the Wilmington
7 plant, did the plant retain samples of the product
8 each time it shipped them out so it would know what
9 that particular customer had received?

10 A. Samples of material made were retained,
11 and product that was shipped to the customer;
12 referenced the manufacturing lot. So there was a
13 retained sample in the laboratory storage of
14 material that was sent to a customer.

15 Q. Did you retain a sample each time you
16 made up a new batch of material?

17 A. Yes.

18 Q. Do you know where these samples were
19 stored at in the facility?

20 A. They were stored in the quality control
21 department.

22 Q. Who was in charge of that department?

23 A. John Rose.

24 Q. Do you know what John Rose did with

1 those samples?

2 A. After a period of time of one year, the
3 samples were reworked back into the production.

4 Q. Were any of those samples disposed of as
5 opposed to being reworked?

6 A. No. They all went back into production.

7 Q. How do you know that none of these were
8 disposed of?

9 A. I know the procedure for reworking the
10 samples. On the anniversary date, the bottles were
11 emptied into containers, and the containers were
12 taken out into manufacturing and dropped into
13 further production. It was a set procedure and it
14 was for a good reason. Products were valuable.

15 Q. Hypothetically, even if there were a
16 hundred different samples, all would be reworked?
17 One wouldn't be disposed of and 99 reworked?

18 A. Yes.

19 Q. With respect to the materials picked up
20 by the Charles George Trucking Company from the
21 Wilmington facility, are you familiar or do you
22 know whether any of those materials may have been
23 taken to the State of New York?

24 A. I have no knowledge of that.

1 Q. So you have no knowledge of any shipment
2 of material to New York by the Charles George
3 Trucking Company or anybody else?

4 A. No.

5 Q. When we last met we discussed briefly
6 the purchase of National Polychemicals from Fisons
7 Corporation by Stepan Chemical. We also discussed
8 the relationship between National Polychemicals and
9 Stepan Company subsequent to that purchase. I want
10 to make sure that I understand your testimony on
11 that subject.

12 MS. BECK: Can you reference in the
13 deposition why it is unclear to you?

14 MR. FRANKEL: Yes.

15 (Witness confers with counsel.)

16 Q. I think at one point in your prior
17 deposition you referred a matrix relationship.

18 MS. BECK: Page 29.

19 Q. After the purchase, do you know whether
20 or not National Polychemicals was a subsidiary of
21 Stepan? This is immediately after the purchase, or
22 was it an independently incorporated wholly-owned
23 subsidiary which was made into a division of Stepan
24 Company?

1 MS. BECK: I am going to object,
2 because it calls for a legal conclusion. You can
3 answer if you can answer.

4 A. I am not sure. I think it was a
5 subsidiary for some period of time and then it
6 became a department.

7 Q. I see.

8 A. I am not sure and the matrix
9 organization developed at the same time.

10 Q. Developed at the same time --

11 A. As the department was created.

12 Q. Might that have been in the early
13 1970's?

14 A. It would have been in the early '70s.

15 Q. There was a document we looked at the
16 last time dated 1974 to Charles George which
17 indicated the name was changed from National
18 Polychemicals to Stepan Polychemicals, does that
19 refresh your recollection?

20 A. That would have been after the time.
21 The time was probably '72 or '73. I am not clear
22 on that.

23 Q. When you say it became a department of
24 Stepan, does that mean it was no longer an

1 independently incorporated company?

2 A. No.

3 Q. If you know?

4 A. I don't know.

5 Q. Who would know the answers to these
6 questions at Stepan?

7 A. William Meier probably would know. He
8 is the vice president -- senior vice president for
9 administration.

10 Q. Is there anyone besides Mr. Meier?

11 A. Mr. Bartlett probably knows. He is the
12 clerk of the company.

13 MR. FRANKEL: I would request that
14 Mr. Meier be produced or that Stepan would send me
15 a letter indicating what the corporate structure
16 was at that time. I don't need to have Mr. Meier
17 produced.

18 MS. BECK: Why don't you put your
19 request in the form of a letter.

20 MR. FRANKEL: Fine.

21 (A short recess was taken.)

22 MR. FRANKEL: Mr. Riley, I have no
23 further questions at this time. I would like to
24 reserve my right to resume this 30 (b) (6)

1 deposition of Stepan if they produce additional
2 information in response to prior discovery requests
3 that would require further questioning.

4 I believe I also indicated in
5 several points during the deposition that I thought
6 there may be other persons at Stepan who should be
7 designated for certain subject categories.

8 Ms. Beck has indicated her response
9 on various portions of the transcript. I am going
10 to take a look at the transcript and probably send
11 a letter to Ms. Beck on this issue. That's all I
12 have.

13 MS. BECK: I just want to put on
14 the record I object to this deposition being
15 reconvened for any purposes. There's been no
16 request to supplement the discovery response made
17 prior to this deposition. This deposition has been
18 convened for two days. The government has been
19 given ample opportunity to ask any questions.

20 Are there any other further
21 questions other than Fisons Corporation?

22 MR. FREDERICO: Fisons Corporation
23 does have a number of questions, but they relate
24 mostly to the third-party complaint.

CROSS-EXAMINATION

BY MR. FREDERICO:

Q. Mr. Riley, I represent Fisons Corporation. I am going to ask you questions primarily related to the third-party claims that Stepan brought against Fisons.

First I do want to ask a few questions about the disposal practices that you have been discussing. I am going to focus on the time period that Fisons Corporation or Fisons Limited owned the stock of National Polychemicals, which is somewhere from 1964 to 1968, up until the Stepan purchase.

During that time period, sir, am I correct in understanding that your testimony is that all disposal of chemical wastes from the Wilmington plant took place on site in the lagoons, I believe you described?

A. I think my testimony was that the chemicals were recycled, by-products were recycled within the plant structure.

Q. To the extent there was any waste produced during that time period --

A. That was disposed of on site.

1 Q. That was disposed of on site, in the
2 lagoons on site; is that correct?

3 A. That's correct.

4 Q. None of those materials during this
5 period were taken off-site; is that correct?

6 A. Yes.

7 Q. And none of them were picked up by the
8 Charles George Trucking Company, correct?

9 A. Well, I think I testified at some point
10 -- originally once a year drums were taken out of
11 the plant, and I could not attest to what those
12 drums contained.

13 Q. I am going to get to that, sir. My
14 question right now is about any materials that you
15 are aware of, waste materials that contain chemical
16 substances during the '64 to '68 time period and
17 those were disposed of on site or recycled?

18 A. Yes. I have no information otherwise.

19 Q. During the '64 to '68 time period, the
20 only things you are aware of that may have been
21 picked up by Charles George was general office
22 trash that went into the dumpsters and drums that
23 were in the 30 cubic yard containers, correct?

24 A. That's correct.

1 Q. And you have no information whatsoever
2 as to the contents, if any, of those drums?

3 A. That's correct.

4 Q. As far as you know, those drums were
5 empty?

6 A. They could have been empty.

7 Q. And there was no hazardous substance
8 contained in the trash, to your knowledge?

9 A. Yes, that's correct.

10 Q. So is it fair to say, sir, that to your
11 knowledge no hazardous substances were picked up by
12 the Charles George Trucking Company from the
13 Wilmington plant from 1964 to 1968?

14 A. That's correct.

15 Q. You did testify about the gypsum cake
16 that was generated during the 1970's, correct?

17 A. Yes.

18 Q. And all of your testimony concerning the
19 gypsum cake related to the time period after Stepan
20 purchased the stock of NPI from Fisons, correct?

21 A. That's correct.

22 Q. That material was not disposed of during
23 the '64 to '68 time period?

24 A. That's correct.

1 Q. You were asked some questions this
2 morning about the chemical composition of some of
3 the finished products; do you recall that?

4 A. Vaguely.

5 Q. You testified about certain compounds
6 that may have existed in trace amounts in some of
7 the finished products?

8 A. Yes.

9 Q. And you said that in the 1960's you
10 wanted to be careful how you answered, because it
11 was impossible to detect parts per billion of those
12 compounds?

13 A. That's correct.

14 Q. You said that some of those compounds
15 you may have been able to detect, but not quantify;
16 is that correct?

17 A. Yes.

18 Q. How would those compounds that you were
19 referring to have been detected in the 1960's?
20 What instruments would be used?

21 A. It depends what you were looking for.

22 Q. Do you remember what some of the
23 compounds were that Mr. Frankel had asked you
24 about?

1 A. He went through a whole list of
2 basically the by-products. We would have used what
3 was available as instrumentation in the '60s.

4 Q. For those compounds that existed only in
5 trace amounts, would those instruments have
6 actually isolated the compounds or detected the
7 type of compound that was contained in --

8 A. They probably could have detected it,
9 but not quantitatively.

10 Q. Do you remember that being done in the
11 1960's?

12 A. Well, there's been a whole increase in
13 fire power on instrumentation backed up by
14 computers. You didn't have that in the '60s.

15 Q. My question, sir, is do you remember
16 whether the finished product or samples of the
17 finish product of National Polychemicals were
18 analyzed in the 1960's and whether those analyses
19 revealed trace amounts of the by-products --

20 A. At times they were analyzed, yes.

21 Q. Do you remember which of the by-products
22 were actually detected in the 1960's?

23 A. No. But they were subject to analysis.

24 Q. But you have no recollection today?

1 A. No.

2 Q. Were any of the by-products that
3 Mr. Frankel asked you about actually detected?

4 A. No.

5 Q. Who at the Wilmington plant was
6 responsible for waste disposal practices during the
7 '64 to '68 time period?

8 A. '64 to '68?

9 Q. During the period that Fisons had any
10 relationship to National Polychemicals. When I say
11 "Fisons," for the time being I am going to lump
12 Fisons Corporation and Fisons Limited together.

13 A. Well, during that period, Fisons owned
14 National Polychemicals, and there was also a
15 ~~451000~~ fertilizing operation running on site called PATCO
16 which was owned by Fisons Corporation or Fisons
17 Ltd.

18 Q. My question, sir, was who was
19 responsible for waste disposal practices at the
20 Wilmington NPI facility during the '64 to '68 time
21 period?

22 A. There was more than one plant manager in
23 that period. There was one man by the name of
24 Harry Papzian. There was another man by the name

1 of Huff. I can't remember his first name. Then I
2 became plant manager in '67.

3 Q. Who became plant manager after you?

4 A. Ron McBrien.

5 Q. Do you recall what year that was?

6 A. 1969.

7 Q. Now, was it always the plant manager
8 during that time period that was responsible for
9 the waste disposal?

10 A. Basically, yes.

11 Q. When you say, "basicaly," was there
12 anyone else with that responsibility?

13 A. Well, he had ultimate responsibility for
14 running the plant. Someone else might be
15 contracting with the Charles George or calling in
16 trucks to remove waste from dumpsters. There were
17 other people involved.

18 Q. Would they be people working under the
19 plant manager?

20 A. Yes.

21 Q. When Mr. Papzian was plant manager, was
22 he employed by National Polychemicals?

23 A. Yes.

24 Q. He wasn't employed by Fisons?

1 A. He was an employee of National
2 Polychemicals which was a subsidiary of Fisons, so
3 you were considered an employees of Fisons.

4 MR. FREDERICO: I move to strike
5 that.

6 Q. Who paid Mr. Papzian? Do you know whose
7 payroll he was on?

8 A. He was paid out of National
9 Polychemicals' funds.

10 Q. He was directly an employee of National
11 Polychemicals, correct?

12 MS. BECK: To the extent you know.

13 A. I am not sure I agree with that.

14 Q. What don't you agree with?

15 A. That he wasn't an employee of Fisons.

16 Q. Do you know whether he had an employment
17 relationship or agreement with Fisons?

18 A. No.

19 Q. Okay. How about you when you were plant
20 manager, who were you employed by?

21 A. I considered myself an employee of
22 Fisons.

23 Q. When you were paid, whose checks were
24 they?

1 A. I think they said "National
2 Polychechemicals."

3 Q. Did you get a W2 form for tax purposes
4 each year?

5 A. Yes.

6 Q. Who supplied that to you?

7 A. It came from National Polychemicals.

8 Q. Do you know who was listed as your
9 employer on those forms?

10 A. I don't remember at this point.

11 Q. Did you ever have any written employment
12 agreement with Fisons?

13 A. No.

14 Q. Did you have a written employment
15 agreement with NPI?

16 A. I don't remember. If I did, it was a
17 secrecy-type agreement.

18 Q. Whom did you report to when you were
19 plant manager?

20 A. I reported to a gentleman by the name of
21 Edward Osberg. He was the president of National
22 Polychemicals.

23 Q. If you know, when did Mr. Osberg first
24 become president of National Polychemicals?

1 A. He started the company in 1952.

2 Q. So he was there for the 12 years before
3 Fisons become involved with the company?

4 A. Yes.

5 Q. Did he stay on after Stepan purchased
6 NPI?

7 A. He did, until retirement in 1972.

8 Q. His title was president of National
9 Polychemicals?

10 A. Yes.

11 Q. What was your exact title?

12 A. At what point?

13 Q. During the period you say you were plant
14 manager?

15 A. Plant manager.

16 Q. Plant manager of what?

17 A. Of National Polychemicals.

18 Q. Did you report directly to anyone from
19 Fisons Corporation when you were plant manager?

20 A. I didn't, but the president did.

21 Q. But you did not?

22 A. That's right.

23 Q. Do you know whether Mr. Papzian did?

24 A. I am not sure of that.

1 Q. Do you know whether Mr. Huff did?

2 A. I don't think Mr. Huff did. The reason
3 I don't know about Mr. Papzian, after he was plant
4 manager, he became the manager of the fertiliser
5 plant on site. I am not sure whom he reported to
6 in that position.

7 Q. I was only referring to the period when
8 he was plant manager for National Polychemicals.
9 During that period, did Mr. Papzian report to
10 anyone directly at Fisons?

11 A. Not that I know of.

12 Q. Neither did Mr. Huff?

13 A. Correct.

14 Q. As far as you knew, Mr. Huff was
15 employed by National Polychemicals; is that
16 correct?

17 A. Yes.

18 Q. Do you know what year Mr. Papzian was
19 plant manager?

20 A. I think something like 1961 to 1964,
21 '65. Then he switched to the fertilizer plant.

22 Q. What years was Mr. Huff plant manager?

23 A. '65 to '67.

24 Q. Were you ever an officer or director of

1 Fisons Corporation or any Fisons company?

2 A. No.

3 Q. To your knowledge, was Mr. Osberg?

4 A. He was a director of National
5 Polychemicals when National Polychemicals was
6 controlled by Fisons Corporation. He was also a
7 director of a Canadian company, Fisons Canada which
8 was a subsidiary or division of Fisons Ltd.

9 Q. During what years was Mr. Osberg a
10 director of Fisons Canada?

11 A. Sometime starting after the acquisition
12 of National Polychemicals. I am not sure when it
13 ended.

14 Q. Do you know what years he was director
15 of NPI?

16 A. Starting at the acquisition, and I am
17 not sure when it -- I guess it ended with the sale
18 of the company to Stepan. So he would have been a
19 director in 1964 to 1968.

20 Q. He wasn't a director after Stepan
21 acquired National Polychemicals?

22 A. No. There no longer was a board of
23 directors for National Polychemicals.

24 Q. I thought you testified earlier you

1 weren't sure whether or not NPI remained an
2 independent subsidiary for some period of time
3 after the acquisition?

4 A. Did I? I don't think they had a board
5 of directors after 1968.

6 Q. Is Mr. Papzian still living?

7 A. I have no idea.

8 Q. What was the last location you were
9 aware of for Mr. Papzian?

10 A. Somewhere in New Jersey. I am not sure
11 what company.

12 Q. When was that?

13 A. Probably back in the late '60s.

14 Q. Is Mr. Huff still living?

15 A. I have no idea.

16 Q. You have no idea?

17 A. I have no idea where he is.

18 Q. Where was he the last you knew?

19 A. The last I knew, he was leaving National
20 Polychemicals.

21 Q. You didn't know where he was going?

22 A. No.

23 Q. When was that?

24 A. 1966.

1 Q. During the period when you were plant
2 manager, did you ever discuss National
3 Polychemicals' waste disposal practices with any
4 officer or director of Fisons?

5 A. I can't remember such a conversation.

6 Q. Did you ever receive any instructions
7 from any officer or director of Fisons relating to
8 the plant's waste disposal practices?

9 A. I can't remember any such conversations.

10 Q. Do you recall ever seeing any written
11 memorandum or other document generated by Fisons
12 Corporation relating to waste disposal practices?

13 A. No.

14 Q. Are you aware of any policies or
15 procedures or guidelines that Fisons issued
16 relating to waste disposal practices?

17 A. No.

18 Q. Do you have any information that any
19 other person at National Polychemicals had any
20 communications with Fisons relating to waste
21 disposal practices?

22 A. No.

23 Q. You mentioned a fertiliser company.
24 What was the name of that company?

1 A. It was call PATCO.

2 Q. Where was that located?

3 A. They had a production facility on the
4 NPI site in Woburn.

5 Q. Were they in a separate building on
6 site?

7 A. Yes. A building was built for them, and
8 they occupied a building. It was equipped with
9 machinery to make lightweight lawn fertiliser.

10 Q. When did PATCO first begin operations at
11 that site?

12 A. I think it was around the summer of
13 1965. Either '65 or '66, and they ran for about 12
14 months.

15 Q. What happened in 12 months?

16 A. They basically made fertiliser for 12
17 months; sold it in the spring and closed the plant
18 down.

19 Q. Did anyone else take over that plant
20 when they closed it down?

21 A. It was taken over by National
22 Polychemicals as a water ~~house~~ ^{works}. The machinery was
23 removed.

24 Q. So PATCO operated at the site only from

1 the summer of 1965 to about the summer of '66?

2 A. Yes.

3 Q. And --

4 A. It could have been to the summer of '67.
5 I take that back. I have a feeling that it ran
6 into '67, starting in '66.

7 Q. So it was either '65 to '66 or '66 to
8 '67?

9 A. Yes.

10 Q. In any event, it was just one year?

11 A. Right.

12 Q. Did you ever observe any wastes
13 generated by that operation?

14 A. Only the normal paper and wood and pipe
15 that National Polychemicals generated and put into
16 the dumpsters.

17 Q. So you did not observe any hazardous
18 substances --

19 A. No

20 Q. -- generated by PATCO?

21 A. No.

22 Q. Are you aware of any waste disposal
23 practices that PATCO had other than to put their
24 trash in a dumpster?

1 A. No.

2 Q. What information do you have concerning
3 PATCO'S relationship, if any, to Fisons?

4 A. My understanding was that they were a
5 subsidiary of Fisons Ltd.

6 Q. How did you acquire that understanding?

7 A. I think at the time they were occupying
8 our site, I was told that they were a subsidiary of
9 Fisons.

10 Q. Who told you that?

11 A. I can't remember at this point.

12 Q. Is that all the information you have
13 about the relationship?

14 A. Yes.

15 Q. Are you familiar with a company called
16 "^{Patent}Lee Patented-Seed Co."?

17 A. ^{Patent}Lee Patented-Seed Company?

18 Q. Yes.

19 A. Yes. I just know them as a subsidiary
20 of Fisons Ltd.

21 Q. Did that company have any operations at
22 the Wilmington site?

23 A. I think they were in charge of the PATCO
24 operation.

1 Q. When you say they were in charge of it,
2 what do you mean?

3 A. I think they directed production of the
4 PATCO operation inasmuch as how much material to
5 make, how many people to hire, et cetera.

6 Q. Was there a separate facility for Lee
7 ^{Patented} Patented Seed Company?

8 A. In that they were in a separate
9 building.

10 Q. Separate from the PATCO building?

11 A. They were not on site. There was no
12 entity called Lee Patented Seed on site.

13 Q. So Lee Patented Seed did not have any
14 operations on site?

15 A. No.

16 Q. To your knowledge, they did not generate
17 any hazardous substances?

18 A. That's correct.

19 Q. And to your knowledge, they did not
20 arrange for Charles George Trucking Company to
21 transport any hazardous substance?

22 A. Lee Patented Seed Company?

23 Q. That's right.

24 A. Yes, that's right. The dumpsters that

1 we used were common dumpsters.

2 Q. You mean PATCO and National
3 Polychemicals?

4 A. Yes. *Patco*

5 Q. Did Lee Patented Seed Company put any
6 materials in the dumpsters?

7 A. No. They were not an active entity on
8 site.

9 Q. Now, did Fisons, any company with the
10 name Fisons have its own operations at that site?

11 A. There was Fisons Corporation.

12 Q. When I say, "have their own operations,"
13 I mean distinct from what National Polychemicals
14 was doing?

15 A. Fisons Corporation occupied offices.

16 Q. Where were those offices located?

17 A. They were in the office building on the
18 site.

19 Q. And did anyone else occupy offices in
20 that building?

21 A. No.

22 Q. During what period of time did Fisons
23 Corporation have offices in that building?

24 A. I think they appeared in 1966.

1 Q. When did they leave?

2 A. They left in 1968 when the company was
3 acquired by Stepan.

4 Q. Do you know who owned the building, who
5 actually held title to the building?

6 A. No, I don't. It was on the plant site.

7 Q. Do you know whether Fisons leased that
8 office building from National Polychemicals?

9 A. I have no idea.

10 Q. How many people worked in the office
11 building that Fisons occupied?

12 A. Fisons Corporation people?

13 Q. Well, first, how many people generally?

14 A. Well, there were probably 30 people in
15 the building.

16 Q. And not all of them were employed by
17 Fisons?

18 A. Half were employed by National
19 Polychemicals.

20 Q. And the other half by Fisons?

21 A. Fisons Corporation.

22 Q. Were these clerical employees?

23 A. Clerical, technical and managerial.

24 Q. Were the approximately 15 National

1 Polychemicals employees that occupied that space in
2 that building, were they in an separate location in
3 that building from the Fisons people?

4 A. They were on the top floor and Fisons'
5 people were on the ground floor.

6 Q. It was a two-story building?

7 A. Yes. There were some National
8 Polychemicals people on the ground floor, but that
9 was pretty much the distinction. Fisons corporate
10 people were in the area on the first floor.

11 Q. Was there a sign on the door as you
12 entered the building?

13 A. Yes.

14 Q. What did the sign say?

15 A. "Fisons Corporation, this way."

16 Q. Did the sign say anything about National
17 Polychemicals?

18 A. I think it pointed to National
19 Polychemicals -- the only operation was purchasing,
20 which was on the main floor. The rest of National
21 Polychemicals' offices were upstairs.

22 Q. There was a sign for Fisons Corporation
23 pointing in one direction and a sign for National
24 Polychemicals pointing in another direction?

1 A. I am sure not there was a sign for NPI,
2 but there was a sign directing people to Fisons.

3 Q. When you got to the location of Fisons
4 in the office building, did it say "Fisons
5 Corporation" on the door?

6 A. I am not sure.

7 Q. What about NPI, did it say "National
8 Polychemicals"?

9 A. No.

10 Q. There was no sign on the door?

11 A. No.

12 Q. Do you remember any names of any
13 employees for National Polychemicals who had
14 offices in that building?

15 A. During what period?

16 Q. The same, '64 to '68.

17 A. Edward Osberg had an office in that
18 building.

19 Q. Anyone else?

20 A. Yes, Henry Lasman. He was director of
21 marketing. Anthony Green was the purchasing agent.
22 There was an accountant. I don't remember his
23 name, plus clerical workers. I had an office in
24 that building.

1 Q. After you became plant manager?

2 A. Yes.

3 Q. How about before?

4 A. Before, I was located in the laboratory
5 area.

6 Q. Before Fisons Ltd. acquired National
7 Polychemicals, how was this building used?

8 A. This building was built under Fisons.

9 Q. It wasn't built until after they --

10 A. Capital for this building was supplied
11 from Fisons.

12 Q. Where had the officers of NPI been
13 located before that building was built?

14 A. They had another building on site that
15 was converted into a laboratory.

16 Q. Are you familiar with the name "Leopold
17 Bornstein?"

18 A. Leopold Bornstein? Yes.

19 Q. Who is he?

20 A. He was a vice president of National
21 Polychemicals that started up a resin division for
22 National Polychemicals back prior to Fisons.

23 Q. Was he still with National Polychemicals
24 after Fisons came in?

1 A. Yes.

2 Q. Where was his office located?

3 A. He was in the office building, but then
4 that division was sold by Fisons to Georgia Pacific
5 in 1966.

6 Q. He went with it?

7 A. He went with them.

8 Q. Did Richard Strauss have an office in
9 the office building?

10 A. Yes.

11 Q. He was vice president for research and
12 development?

13 A. Vice president for operations.

14 Q. Who is Norman Paquette?

15 A. He was the accountant.

16 Q. So he was in the office building as
17 well?

18 A. Yes.

19 Q. Is it fair to state that all the
20 officers of NPI were in the office building?

21 A. Yes.

22 Q. All their clerical help was also in the
23 office building; is that right?

24 A. That's right.

1 Q. Other than having office space, did
2 Fisons have any production going on at the site
3 during the '64 to '68 time period?

4 A. Fisons Corporation? You are referring
5 to --

6 Q. Either Fisons Ltd. or Fisons
7 Corporation?

8 A. No.

9 Q. Did either Fisons Ltd. or Fisons
10 Corporation generate any hazardous substances at
11 any time?

12 A. Not that I am aware of.

13 Q. Did they have production operations at
14 that site after 1968?

15 A. No.

16 Q. Do you know who the Fisons Corporation
17 people were who had offices in the office building?

18 A. No, I don't remember the names.

19 Q. Were there other offices located on
20 another part of the site, in the plant itself or at
21 some other location?

22 A. There were some offices in the
23 laboratory.

24 Q. Who had offices there?

1 A. Chemists. Research chemists,
2 application chemists.

3 Q. I am going to refer you to Exhibit 29
4 which is your affidavit from 1988. I will ask you
5 to look at Paragraph 3, the second sentence. It
6 says, "The property in Wilmington, Massachusetts
7 housed an office." Is that the office building we
8 were just talking about?

9 A. I believe so.

10 Q. And the lunchroom, was that in the plant
11 itself?

12 A. Yes.

13 Q. How many building did this plant consist
14 of that were actually involved in production for
15 National Polychemicals?

16 A. Roughly seven or eight.

17 Q. Then it says, "sales." Was there a
18 sales department of National Polychemicals?

19 A. Yes.

20 Q. How many people were employed in that
21 department?

22 A. Well, there were two people on inside
23 sales, and then there were people on outside, five
24 people selling on the road.

1 Q. Those were field salespeople?

2 A. Yes.

3 Q. The two people who were involved in
4 sales from the inside, where were their offices?

5 A. They were in the office building.

6 Q. From the '64 to '68 time period, do you
7 recall who those people were?

8 A. There was a woman named Joan Judd, and
9 there was a man. I don't recall his name.

10 Q. Do you recall what their titles were?

11 A. They were sales coordinators.

12 Q. I am sorry?

13 A. Sales coordinators.

14 Q. Both of them were?

15 A. Yes.

16 Q. Sales coordinators for what company,
17 National Polychemicals?

18 A. Yes.

19 Q. As far as you know, they were employees
20 of National Polychemicals, correct?

21 A. Yes.

22 Q. Had they been with National
23 Polychemicals before Fisons purchased the company?

24 A. The woman was. I am not sure about the

1 man, when he came or when he left.

2 Q. Did one or both of them stay on after
3 Stepan purchased the company?

4 A. They both did for some period.

5 Q. Now, the next item in this paragraph of
6 the affidavit refers to "customer/technical
7 service." Was that another department of National
8 Polychemicals?

9 A. That was a laboratory group.

10 Q. That was the laboratory?

11 A. That was a laboratory group that dealt
12 with the application of the products. They did
13 laboratory work and assisted with customers in
14 using the products.

15 Q. Was there someone who was in charge of
16 that operation?

17 A. There was a gentleman by the name of
18 Paul Lanthier. He is deceased now.

19 Q. What was his title?

20 A. Technical service manager.

21 Q. For National Polychemicals?

22 A. Yes.

23 Q. Was he with National Polychemicals
24 before Fisons came?

1 A. Yes.

2 Q. Did he stay with National Polychemicals
3 after Stepan acquired it?

4 A. Yes.

5 Q. Then it refers to "research and
6 manufacturing." Are those separate departments or
7 one department?

8 A. Separate. Research was the laboratory
9 that worked on new products, improvement of plant
10 processes, new processes.

11 Q. Was there one person in charge of
12 research during the '64 --

13 A. I was in charge from '64 to '67, and
14 then a gentleman by the name of Walter Beck took
15 over.

16 Q. Where was he from?

17 A. Where is he from?

18 Q. Do you know, was he with National
19 Polychemicals before he took that over?

20 A. Yes.

21 Q. When was he first with NPI?

22 A. About 1965.

23 Q. Do you know who hired him?

24 A. I did.

1 Q. When you hired Mr. Beck, did you consult
2 with anyone from either Fisons Ltd. or Fisons
3 Corporation regarding his employment?

4 A. I don't think so.

5 Q. Did you require Fisons' approval to hire
6 Mr. Beck?

7 A. Not direct approval, but we had budget
8 approval. The budget had so many slots that we
9 were allowed to hire into.

10 Q. You were actually allowed without
11 consulting Fisons to decide who would be hired into
12 positions that were budgeted for?

13 A. They controlled the budget.

14 MR. FREDERICO: I move to strike.

15 Q. That wasn't my question, sir. What was
16 Mr. Beck's title when you hired him?

17 A. He was hired as a research chemist, and
18 he became the development manager.

19 Q. When he was promoted in 1967, was he
20 then given an office in the office building?

21 A. He never had an office in the office
22 building. He was always in the laboratory.

23 Q. From '64 to '68, was there one person in
24 charge of the manufacturing department?

1 A. I've already testified that Mr. Papzian
2 was in charge, then Mr. Huff, and then I took over
3 in '67.

4 Q. So the plant manager was the person who
5 was the head of manufacturing?

6 A. That's right.

7 Q. Were there any other departments of
8 National Polychemicals that are not listed in
9 Paragraph 3 of your affidavit?

10 A. There was an accounting department.

11 Q. Any others?

12 A. There was an engineering department that
13 was under manufacturing. It was part of
14 manufacturing.

15 Q. Any others?

16 A. No.

17 Q. Was it Mr. Paquette who was in charge of
18 the accounting department?

19 A. Mr. Paquette? I think he was gone when
20 Fisons was involved. I think he would have left
21 already.

22 Q. You don't recall that he was assistant
23 treasurer of National Polychemicals after Fisons
24 made the acquisition?

1 A. I don't think he was.

2 Q. Do you know who was in charge of the
3 accounting department?

4 A. No, I am confusing it with Stepan. I
5 take that back. He left sometime in that period,
6 but I am not sure.

7 Q. Sometime during the '64 to '68 period?

8 A. Yes.

9 Q. While he was still there, was he the
10 head of the accounting department?

11 A. Yes.

12 Q. Had he been with National Polychemicals
13 before the --

14 A. Yes.

15 Q. -- acquisition by Fisons?

16 A. Yes.

17 Q. Who replaced him as the head of
18 accounting?

19 A. I think a man by the name of Harry
20 LeCours.

21 Q. When did Mr. LeCours first come to work
22 at National Polychemicals?

23 A. I think he replaced Paquette sometime in
24 '67.

1 Q. Do you know who hired him?

2 A. No, I don't.

3 Q. Do you know whether he had ever been
4 employed by Fisons?

5 A. No.

6 Q. "No," you don't know, or "no," he
7 wasn't?

8 A. I said no, I don't know.

9 Q. Do you know whether he was a director of
10 Fisons at any time?

11 A. I don't believe he was.

12 Q. What about purchasing, was that another
13 department?

14 A. Yes.

15 Q. That was Mr. Green?

16 A. Mr. Green was in charge of purchasing.

17 Q. When did Mr. Green come to work at
18 National Polychemicals?

19 A. He came in 1964.

20 Q. Was he British?

21 A. Yes.

22 Q. Had he worked for Fisons Ltd.?

23 A. Yes. He worked for Whiffen which was a
24 subsidiary.

1 Q. Was that Whiffen Ltd. or Whiffen, Inc.?

2 A. I am not sure. It might have been

3 Whiffen and Sons. I think you are right.

4 Q. Whiffen and Sons Ltd.?

5 A. It was a subsidiary.

6 Q. Who was in charge of purchasing for
7 National Polychemicals before Mr. Green came in?

8 A. I don't remember.

9 Q. Mr. Green stayed with National
10 Polychemicals after Stepan acquired the company,
11 right?

12 A. Yes.

13 Q. And he is still with Stepan today?

14 A. Yes.

15 Q. In fact, he is an officer of Stepan?

16 A. No.

17 Q. What is his title today?

18 A. His title is international purchasing
19 agent, but he is not an officer of the company.

20 Q. When he became head of purchasing at
21 National Polychemicals, did he report to
22 Mr. Osberg?

23 A. Yes.

24 Q. Did Mr. Paquette also report to

1 Mr. Osberg?

2 A. Yes.

3 Q. So did Mr. LeCours?

4 A. Yes.

5 Q. Walter Beck reported to Mr. Osborne?

6 A. Yes.

7 Q. Paul Lanthier, did he report to

8 Mr. Osberg?

9 A. No. He reported to Mr. Lasman who was
10 in charge of marketing, Henry Lasman. He was in
11 charge of sales and marketing.

12 Q. During what period of time?

13 A. During the Fisons period.

14 Q. Was he also in charge of sales and
15 management before the Fisons period?

16 A. Yes.

17 Q. When did he come to work for NPI?

18 A. Sometime before 1957. I am not sure
19 what year.

20 Q. Did Mr. Lasman report to Mr. Osberg
21 during the '64 to '68 period?

22 A. Yes.

23 Q. Did any of the people who were in charge
24 of any of the departments we have just discussed

1 report directly to anyone at Fisons during the '64
2 to '68 time period?

3 A. No.

4 Q. No?

5 A. Well, at one point there was a board of
6 directors for National Polychemicals, and Strauss
7 and Lasman were on that board of directors with
8 Osberg and that board reported through the Fisons
9 Corporation.

10 Q. The board of directors of National
11 Polychemicals reported to Fisons, correct?

12 A. Well, they reported through the Fisons
13 Corporation.

14 Q. What do you mean by that?

15 A. Well, there was a restriction on capital
16 expenditures that -- a capital expenditure --
17 anything over \$2,500 had to be approved by the
18 board of directors, by NPI, and anything over
19 \$10,000 had to be approved first by the National
20 Polychemicals board and then by the Fisons
21 Corporation board. So they were controlling --
22 Fisons Corporation was controlling the engineering
23 activities of National Polychemicals by controlling
24 the amount of capital that would be sent without

1 approval.

2 Q. Do you mean by that that Fisons had
3 approval authority for capital expenditures over
4 \$10,000?

5 A. Fisons Corporation did, as far as
6 National Polychemicals was concerned.

7 Q. How do you know that? What is your
8 source of information?

9 A. That was in the documents that I looked
10 at preparing for this, but I also knew that.

11 Q. Did you see those documents back in the
12 '60s?

13 A. I also knew in the '60s, because I was
14 given those restrictions. ¹He is in charge of
15 engineering from 1967 on and those were the
16 restrictions I had to work under.

17 Q. Who gave you those restrictions?

18 A. They were given to me by Edward Osberg.

19 Q. So any capital expenditures of \$10,000
20 and over had to be approved by Fisons?

21 A. Right.

22 Q. Any capital expenditures between \$2,500
23 and \$10,000 had to be approved by the National
24 Polychemicals board of directors?

1 A. Yes.

2 Q. And those purchases did not have to be
3 approved by Fisons, correct?

4 A. Right.

5 Q. Anything under \$2,500 did not require
6 any approval process; is that right?

7 A. That's right.

8 Q. Mr. Osberg could make those decisions on
9 his own?

10 A. I could make those decisions.

11 Q. Other than questions relating to capital
12 expenditures over \$10,000, did any of the heads of
13 the departments that we discussed report directly
14 to Fisons?

15 A. Not directly.

16 Q. I am going to back up just for a minute.

17 What was the business of National
18 Polychemicals during the '64 to '68 time period?
19 How would you characterize the products they
20 produced?

21 A. They made plastic additives for rubber
22 and chemicals.

23 Q. Would you classify those as chemical
24 products?

1 A. Yes.

2 Q. Would you classify them as agro-chemical
3 products?

4 A. No.

5 Q. National Polychemicals didn't
6 manufacture any agro-chemical products?

7 A. No.

8 Q. Did they manufacture any pharmacological
9 products?

10 A. No.

11 Q. Did you distribute wholesale, retail or
12 both?

13 A. Selling was directly to customers.

14 Q. What types of customers did National
15 Polychemicals serve during the '64 to '68 time
16 period?

17 A. Basically industrial people that were in
18 the rubber or plastic compounds business.

19 Q. So it had no retail business whatsoever?

20 A. No.

21 Q. When Fisons acquired National
22 Polychemicals, did some of the customers of
23 National Polychemicals prior to '64 remain
24 customers of National Polychemicals?

1 A. Yes.

2 Q. Could you estimate what percentage?

3 A. I would say a hundred percent.

4 Q. Were those customers still customers
5 after Stepan acquired National Polychemicals
6 Company?

7 A. Generally, yes.

8 Q. Were new customers added as well
9 during --

10 A. There were some new customers.

11 Q. Who was in charge of marketing during
12 that time?

13 A. Henry Lasman.

14 Q. Did Fisons have any involvement in
15 marketing plans?

16 A. Some joint plans were discussed between
17 the Whiffen group and the Stepan group, and then
18 direction of the business was turned -- transferred
19 to the Fisons International group.

20 At one point there was discussion
21 that Fisons wanted to set prices for National
22 Polychemicals from London, which would have been a
23 pretty foolish situation. The international
24 department did get involved.

1 Q. To the extent NPI continued to sell to
2 the customers it had before Fisons purchased it,
3 did Fisons become involved in the marketing to
4 those customers?

5 A. They did some tactical planning.

6 Q. What kind of tactical planning are you
7 referring to?

8 A. Discussing sales plans and ways to
9 increase sales.

10 Q. Who from Fisons participated in that
11 process?

12 A. I don't remember the name. Well, I do,
13 too. Tony Langdon. He was from the international
14 department.

15 Q. Of what entity?

16 A. The international department of Fisons
17 Ltd.

18 Q. Did you ever meet with him about
19 marketing?

20 A. I didn't, no. I was on the other side
21 of the company in those days.

22 Q. What is the source of your information
23 about Fisons' involvement in marketing?

24 A. Generally I heard discussions of

1 marketing meetings. We were a small group and you
2 would hear chitchat.

3 Q. That was communicate to you informally?

4 A. Informally.

5 Q. Do you remember who communicated that to
6 you?

7 A. No.

8 Q. When were you told this?

9 A. Sometime in the period '64 to '66.

10 Q. What were you told?

11 A. What I was told?

12 Q. Yes.

13 A. Generally that there were discussions on
14 marketing tactics.

15 Q. Anything else? Were you told anything
16 else about any involvement Fisons may have had in
17 NPI marketing?

18 A. No, I don't think so.

19 (A short recess was taken.)

20 Q. We just discussed the information you
21 have concerning any involvement Fisons may have had
22 in NPI marketing?

23 A. Right.

24 Q. I take it marketing and sales are the

1 same thing? Are they the same department or are
2 they different?

3 A. No.

4 Q. Was there a separate head of marketing
5 and a separate head of sales?

6 A. No, there was one head.

7 Q. But the responsibilities were different?

8 A. Yes.

9 Q. In what way if any was Fisons involved
10 in NPI's sales?

11 A. Well, from the acquisition, Whiffen and
12 NPI had joint discussions on marketing and sales.

13 Q. Who at Whiffen?

14 A. A gentelman by the name of Ruppert Law.
15 There was a Dr. Reed. He was in research, but he
16 was also involved in advising on sales, and another
17 man by the name of Pev Lowes.

18 Q. Were they all employees of the British
19 Whiffen?

20 A. Yes. For the first year and a half or
21 two years there were joint research meetings and
22 there were joint sales strategies.

23 After this period, direction of NPI
24 was turned over to the international department for

1 marketing and for some management functions and
2 there was sort of a -- I can't think of the term --
3 arm's length.

4 I think the British became a little
5 concerned about being sued in American courts for
6 antitrust. They affected an arm's length
7 agreement, and there was no longer as close a
8 relationship between Whiffen and National
9 Polychemicals as when they started.

10 (A discussion was held off the record.)

11 Q. Let me see if I have this straight.
12 From the time Fisons purchased NPI, for about a
13 year and a half to two years personnel from Whiffen
14 in Great Britain --

15 A. Were directly actually dovetailing with
16 National Polychemicals in purchasing, in research,
17 in sales and in manufacturing.

18 Q. How do you know that?

19 A. I was part of it all. I was in research
20 in those days. When you do research you are also
21 close to sales and you are also close to
22 manufacturing.

23 Q. In what ways did Whiffen people direct
24 the joint research and sales tragedies?

1 A. Well, their joint research meetings'
2 agenda was prepared by Fisons people.

3 Q. By Fisons' or Whiffen's people?

4 A. Well, Whiffen's.

5 Q. How often did those meetings take place?

6 A. They were running about every two
7 months.

8 Q. Where did they take place?

9 A. They were held in the U.S., and they
10 were held in the U.K.

11 Q. Did they alternate?

12 A. More or less.

13 Q. The meetings in the U.S., did they occur
14 at the Wilmington site?

15 A. Yes.

16 Q. Who attended those meetings?

17 A. I did and Richard Strauss did until he
18 left the company.

19 Q. Who else from who Whiffen?

20 A. Dr. Reed, Pev Lowes. Another man by the
21 name of Gordon Harmer. He was in manufacturing for
22 Whiffen.

23 Q. Who else attended those meetings?

24 A. That was pretty much the group. There

1 was a fellow named Mike Smith from Whiffen that
2 started attending the meetings after a while.

3 This was kind of a moving cast,
4 because some people left Whiffen and moved on and
5 some people left National Polychemicals. So their
6 successors would join this Anglo-American group.

7 Q. Was it the same group that met in
8 England as met in the United States?

9 A. At times there would be new people and
10 people that had met before. The interests were
11 basically preserved. They were research, and they
12 were sales meetings.

13 Q. Did anyone attend these meetings other
14 than employees of National Polychemicals and
15 Whiffen?

16 A. No.

17 Q. There were no Fisons people there?

18 A. Well, I am not sure at that point, but
19 at some point -- see, National Polychemicals was
20 bought under the auspices of Whiffen, because they
21 made similar products.

22 Whiffen was looking to broaden its
23 interest in worldwide industrial chemicals. They
24 saw a company for sale in the United States. They

1 knew about National Polychemicals. We had a big
2 international reputation. We were a small company,
3 but we had have good international reputation for
4 what we had done.

5 So the company was actually
6 purchased with Fisons money, but under the auspices
7 of Whiffen. And then after two years, as I said --
8 previously the control was moved to the
9 international division, and then at the end the
10 control was actually in Fisons Corporation. We
11 went through a couple of stages in four years.

12 MR. FRANKEL: I am going to move to
13 strike most of that answer as nonresponsive.

14 Q. These joint meetings you described, you
15 don't recall any Fisons employees attending those
16 meetings, employees of Fisons Ltd. or Fisons
17 Corporation?

18 A. I remember Tony Langdon was at one of
19 the meetings, and he was in the international group
20 of Fisons. He was at one of the meetings.

21 Q. He was at one meeting that you recall?

22 A. Yes.

23 Q. Do you recall what his role was at that
24 meeting?

1 A. He was just a participant at the
2 meeting.

3 Q. Do you recall --

4 A. It was one of the earlier meetings.

5 Q. Do you recall any other Fisons employees
6 attending those meetings?

7 A. When you say "Fisons employees," Fisons
8 Ltd. was really a small group in London, but I
9 don't recall any others who attended.

10 Q. Now, you have mentioned Whiffen. What
11 business was Whiffen in?

12 A. They were in industrial chemicals,
13 rubber and plastics additives.

14 Q. You said the joint meetings went on
15 between Whiffen and NPI people for a year and a
16 half to two years; is that right?

17 A. About that time.

18 Q. And were there similar meetings after
19 that two-year period?

20 A. No. When the direction of the company
21 was moved over to the international division, those
22 meetings between Whiffen employees and National
23 Polychemicals employees ceased.

24 Q. Now, when you say the "international

1 division," what entity are you referring to?

2 A. The Fisons international division.

3 Q. Was that a division of Fisons Ltd.

4 or --

5 A. Fisons Ltd.

6 Q. When you say, "direction moved over to
7 that division," what do you mean?

8 A. Managerial supervision and dovetailing on
9 research programs and sales were moved away from
10 Whiffen and they were moved to Fisons
11 International.

12 Q. What managerial supervision had Whiffen
13 supervised prior to the international division
14 coming --

15 A. They were a member of NPI's board.

16 Q. Anything else?

17 A. In the early days, Whiffen did look over
18 and review the budgets of National Polychemicals.
19 They guided us in preparing budgets. This was
20 moved to the international department, both
21 administration and expense budgets. They had budget
22 approval.

23 Q. Had Whiffen exercised any managerial
24 supervision over NPI other than with respect to the

1 budget?

2 A. They were the people -- Fisons, that
3 National Polychemicals people asked questions of
4 and gained directions of operations from.

5 Q. What kind of questions?

6 A. How to do this and what should we do
7 about that.

8 Q. In what areas, sir? In what budgetary
9 areas?

10 A. Management direction and sales. In
11 development there was a lot of information flowing
12 between Whiffen and National Polychemicals, because
13 we were both in the same lines of business. We
14 were asking them questions, and they were asking us
15 questions. We were both benefiting from each
16 other's experiences in both research and in sales
17 and marketing.

18 Q. Was all that going on from about 1964 to
19 1966?

20 A. Yes. It might have ended a little
21 earlier. It might have ended the end of '65.

22 Q. During that time Fisons Ltd. was the
23 corporation that owned National Polychemicals;
24 isn't that right?

1 A. It owned the stock.

2 Q. Did any Whiffen personnel have offices
3 at the Wilmington facility?

4 A. Not officially, but Anthony Green was
5 sent over from Whiffen to take a job at National
6 Polychemicals.

7 Q. But he became a National Polychemicals'
8 employee, right?

9 A. Officially he did.

10 Q. Did anyone who remained a Whiffen's
11 employee have an office at that facility?

12 A. No.

13 Q. How frequently during that '64 to '65 or
14 '66 period did Whiffen employees visit the
15 facility?

16 A. Almost every month.

17 Q. For how long?

18 A. Several days.

19 Q. How many people would come each month?

20 A. One to three.

21 Q. What were the purposes of those visits?

22 A. Well, one was that there is always a
23 representative from Whiffen on the board of
24 directors and there were monthly board of directors

1 meetings. So one individual was coming for that.
2 The other people were coming to correlate on
3 research and marketing and sales.

4 Q. Did the Whiffen people actually control
5 decisions that were made concerning research,
6 marketing and sales?

7 A. No, they didn't.

8 Q. Were they basically acting in an
9 advisory capacity?

10 A. It was a co-pooling of information on
11 strategy.

12 Q. Then in 1965 or '66 the international
13 division of Fisons Ltd. started taking over what
14 Whiffen had been doing?

15 A. They took over supervisory direction.
16 They were approving budgets. Budgets were being
17 reviewed and approved by people from the
18 international division.

19 They were talking to the sales
20 department about tactical sales plans. At this
21 point, they were no longer co-researching or doing
22 any manufacturing dovetailing, because there was no
23 one on that side to talk to. The international
24 division was basically a marketing division.

1 Q. How long was the international division
2 involved in the activities you have just described?

3 A. I am not quite sure, because by the time
4 the company was sold in 1968, the company was being
5 directed by Fisons Corporation. It was sold by
6 Fisons Corporation to Stepan.

7 Q. At some point between '64 and '68 Fisons
8 Corporation became the owner of the stock of
9 National Polychemicals, correct?

10 A. Yes.

11 Q. You don't recall when that was?

12 A. No.

13 Q. When that took place, whenever it was,
14 whatever year it was, when that took place, did the
15 international division of Fisons Ltd. still engage
16 in the activities you have just described?

17 A. I can't be sure. I don't know that. I
18 don't know when the stock was transferred, and I
19 don't know if I knew that date. I could say that's
20 when the supervisory function -- I do know by 1968
21 Fisons Corporation was essentially directing
22 National Polychemicals and negotiations between
23 Stepan and Fisons were with Fisons Corporation.

24 Q. When you say Fisons Corporation was

1 directing National Polychemicals, what do you mean
2 by that?

3 A. They were reviewing budgets, reviewing
4 capital expenditures and were involved in some
5 tactical decision.

6 Q. What kind of tactical decisions?

7 A. I think some personnel decisions were
8 being discussed with the executive vice president
9 of Fisons Corporation and Edward Osberg, the
10 president of National Polychemicals.

11 Q. What personnel decisions with those?
12 Did they relate to specific individuals?

13 A. I think general management decisions
14 were being discussed, including personnel.

15 Q. To your knowledge, was Fisons
16 controlling those decisions?

17 A. They were being run by Fisons,
18 certainly.

19 Q. What do you mean by that?

20 A. They were being brought up so Fisons
21 could approve or disapprove. Fisons Corporation --
22 they were looking at the budgets, and they were
23 discussing the business at this point.

24 Q. Are you aware of any personnel decisions

1 that Fisons Corporation controlled?

2 A. No.

3 Q. Are you aware of any personnel decisions
4 that Fisons Corporation was involved in?

5 A. Nothing specific.

6 Q. When you say, "general management
7 decisions," are you aware of any general management
8 decisions that Fisons Corporation controlled?

9 A. They were discussing the business on a
10 monthly -- regular basis. It was being discussed
11 between National Polychemicals and Fisons
12 Corporation.

13 Q. In what context or in what forum were
14 those discussions taking place?

15 A. Discussions between the executive vice
16 president and Fisons Corporation and the president
17 of National Polychemicals.

18 Q. Who was the executive vice president of
19 Fisons Corporation at the time?

20 A. Jon Slaven. Jon Slaven had been in the
21 international division, and he was then transferred
22 and became executive vice president of Fisons
23 Corporation. That happened sometime around 1967.

24 Q. Did National Polychemicals during '64 to

1 '68 have a board of directors?

2 A. Yes.

3 Q. Did it meet regularly?

4 A. Yes.

5 Q. Did it make decisions?

6 A. Did it make decisions?

7 Q. Yes.

8 A. I guess it did. I wasn't on it.

9 Q. You attended at least one meeting of it?

10 A. No, never. Not that I know of.

11 (Exhibit No. 35 was marked for
12 identification.)

13 Q. I show you what has been marked as
14 Exhibit 35, which appears to be the March 29, 1967
15 minutes of a special meeting of the board of
16 directors of National Polychemicals, Inc.

17 Beginning with the last paragraph
18 on the fourth page and going on the fifth page, I
19 will ask you to take a look at that and ask if that
20 refreshes your recollection that you did attend a
21 board meeting?

22 A. (Witness reviews document.)

23 (The record was read.)

24 A. I don't remember that. I saw this

1 (indicating).

2 Q. It doesn't refresh your recollection at
3 all?

4 A. No. I don't remember being at a board
5 meeting, ever. I don't remember. It could be.
6 This was 1967. That's a long time ago. Time has a
7 way of clouding your memory, but I don't remember
8 that.

9 Q. But you were at least aware that there
10 was a board of directors that did meet on a regular
11 basis?

12 A. Yes. I testified to that.

13 Q. You also said earlier that general
14 management decisions were discussed between Jon
15 Slaven and Edward Osberg. Did you participate in
16 any of those discussions?

17 A. I had been present at some of those
18 discussions in 1968.

19 Q. In 1968 what discussions took place at
20 that time?

21 A. Basically these were discussions based
22 on the sale of the company.

23 Q. Did you participate in any discussions
24 with Mr. Slaven and Mr. Osberg prior to 1968?

1 A. I couldn't be sure that I did.

2 Q. Do you have any firsthand knowledge of
3 any management decisions that were discussed
4 between Mr. Slaven and Mr. Osberg other than
5 decisions relating to the sale of the company in
6 1968?

7 A. Well, discussions such as this
8 (indicating) were going on all the time.

9 Q. When you say, "such as this," what are
10 you referring to?

11 A. Exhibit 35.

12 Q. My question, sir, relates to discussions
13 that Mr. Osberg had with Mr. Slaven. Were you
14 personally aware of anything that they discussed
15 relating to management decisions other than
16 decisions regarding the sale of the company in
17 1968?

18 A. I can't testify to being personally
19 aware.

20 Q. Now, was Fisons involved in the
21 day-to-day operations of the plant from '64 to '68?

22 A. I think it depends on how you define
23 "day-to-day operations."

24 Q. Did Fisons have personnel working in the

1 actual production buildings?

2 A. No.

3 Q. Did National Polychemicals keeps its own
4 financial books and records?

5 A. Yes.

6 Q. And those books and records were kept by
7 National Polychemicals' employees?

8 A. They were.

9 Q. Did any Fisons personnel participate in
10 keeping the books and records of National
11 Polychemicals?

12 A. From time to time they assisted in the
13 keeping of the books.

14 Q. In what manner did they assist?

15 A. I was not technically aware, but there
16 were accountants from Fisons working in the
17 National Polychemicals accounting department at a
18 certain period of time.

19 Q. Accountants who were employed by Fisons?

20 A. Fisons.

21 Q. Was that Fisons Ltd. or Fisons
22 Corporation?

23 A. Fisons' overseas division.

24 Q. Fisons Ltd. overseas?

1 A. Yes.

2 Q. And what were they doing?

3 A. As I say, I was not aware of their
4 explicit duties.

5 Q. How long were they there?

6 A. For weeks and months at a time.

7 Q. During what years?

8 A. '65, '66, '67.

9 Q. How many Fisons people were there at any
10 one time in the accounting department?

11 A. Usually one at a time.

12 Q. How many NPI employee were there in the
13 accounting department?

14 A. Four or five.

15 Q. Do you know who the individuals were
16 from Fisons?

17 A. One name was Martin Shaw.

18 Q. Was he from Great Britain, do you know?

19 A. Yes.

20 Q. Do you know what his title was?

21 A. No, I don't.

22 Q. You don't recall any other people from
23 Fisons?

24 A. There were others, but I don't recall

1 their names.

2 Q. Were any Fisons personnel involved in
3 customer technical service?

4 A. No.

5 Q. Were any Whiffen personnel involved in
6 that department?

7 A. No.

8 Q. Were any Fisons personnel involved in
9 research?

10 A. Only in the meetings that I have
11 testified to before.

12 Q. Was there a laboratory set up for the
13 research department?

14 A. Yes.

15 Q. And was that in a separate building?

16 A. Yes.

17 Q. Was that the only operation that took
18 place in that building?

19 A. Well, the quality control laboratory was
20 in the same building.

21 Q. Anything else?

22 A. It was separate from it, but it was in
23 the same building.

24 Q. Was there any other department in that

1 building?

2 A. No.

3 Q. How many employees during '64 to '68
4 worked in the research department at --

5 A. There were about six in research.

6 Q. They were all working in the laboratory?

7 A. Yes, and in the pilot plant.

8 Q. What was the pilot plant?

9 A. The pilot plant was an extension of the
10 research laboratory where you went from glasswear
11 to 20- or 30-gallon reactors. You scaled up
12 processes.

13 Q. Was that in a separate building?

14 A. No. It was the same building as the
15 research and quality control lab.

16 Q. How many people were in quality control?

17 A. About five.

18 Q. They were all National Polychemicals
19 employees?

20 A. Yes.

21 Q. Were any Fisons or Whiffen personnel
22 working in that building that used the research and
23 quality control labs?

24 A. No.

1 Q. At no time from 1964 to 1968?

2 A. Only when they were meeting there, if
3 you call that working.

4 Q. Those are the meetings you discussed
5 earlier?

6 A. Yes.

7 Q. How many people were in engineering for
8 National Polychemicals?

9 A. It varied, about two to three.

10 Q. And --

11 A. It might have been up to four at one
12 time.

13 Q. They were also part of the manufacturing
14 department?

15 A. Yes.

16 Q. How many other people were in
17 manufacturing?

18 A. The total number of people from 1964 to
19 '68? Who are you including?

20 Q. Let's include everybody.

21 A. Probably 50 people.

22 Q. How many of those were hourly people?

23 A. Probably 12.

24 Q. Were they all managerial people or were

1 some supervisors or foremen?

2 A. There would be five in supervision and
3 four in engineering and probably one in the
4 warehouse, one in maintenance, maintenance
5 supervisor. It would break down to about 12.

6 Q. Of the 50 people you mentioned in
7 manufacturing, where did they work? Were they all
8 in the same building?

9 A. No. I testified earlier there were
10 about six or seven manufacturing buildings on the
11 plant site.

12 Q. Okay. Were they all in those six or
13 seven buildings?

14 A. The people that were doing the
15 operations, yes.

16 Q. Does that include the engineers?

17 A. No. The engineers had an engineering
18 office.

19 Q. They were in the office building, right?

20 A. Yes. They were in the basement of the
21 office building.

22 Q. Now, in those six or seven manufacturing
23 buildings, were those 50 people all National
24 Polychemicals employees?

1 A. Yes.

2 Q. Did any personnel from Whiffen or Fisons
3 work in those six or seven manufacturing buildings?

4 A. Are you excluding PATCO?

5 Q. Yes.

6 A. No.

7 Q. Now, if we included PATCO --

8 A. PATCO was in one of the buildings. They
9 had about 30 employees of their own.

10 Q. Their operations were separate from the
11 National Polychemicals operations?

12 A. They were separate operations, except
13 they used joint services. We used the same trash
14 dumpsters. They got maintenance from the same
15 maintenance department that National Polychemicals
16 did. They received engineering from the National
17 Polychemicals engineering department. They had
18 their own supervision.

19 Q. In the engineering office, were there
20 any engineers or other personnel from Whiffen or
21 Fisons?

22 A. No.

23 Q. Did any Whiffen employees have any
24 permanent offices on site?

1 A. No.

2 Q. Did any Fisons Ltd. employees have any
3 permanent offices on site?

4 A. No.

5 Q. The only Fisons Corporation people who
6 had permanent offices on site were the ones located
7 in the office building that you described, correct?

8 A. Yes. At the end of the Fisons' tenure,
9 Jon Slaven had an office in that building and
10 appeared to live in the United States about half
11 the time. He was in the last year of that, '67
12 into '68, living and operating a large part of this
13 time in the Wilmington office building.

14 Q. He was executive vice president of
15 Fisons Corporation, correct?

16 A. Right, and he was a British citizen.

17 Q. Was there a personnel department?

18 A. Not really. Personnel was handled in
19 the general office.

20 Q. Who handled decisions concerning the
21 hiring and firing of employees?

22 A. The department heads did.

23 Q. Okay. Those were the department heads
24 that worked for National Polychemicals?

1 A. Yes.

2 Q. Assuming there were issues relating to
3 whether or not a position was budgeted for, did any
4 decisions as to whether to hire or fire employees
5 ever require approval from any of the Whiffen or
6 Fisons companies?

7 A. I don't know the answer to that
8 question.

9 Q. You are not aware of any requirements
10 that approval be obtained from those companies?

11 A. That's correct. I am not sure there
12 wasn't a requirement for some skilled positions,
13 but I can't testify that I knew of that.

14 Q. What kind of contracts would National
15 Polychemicals enter into? Could each department
16 have different types of contracts that they could
17 enter into?

18 A. Contracts for what?

19 Q. For anything? For example, the
20 purchasing department would enter into contracts to
21 purchase products from suppliers?

22 A. Yes.

23 Q. Were there any other contracts that they
24 could enter into?

1 A. There were contracts for services.

2 Q. What kind of services?

3 A. Oh, to keep the office equipment
4 maintained, and there were contracts for electrical
5 contracting in the plant.

6 Q. Was purchasing required to obtain
7 approval from Fisons to purchase supplies?

8 A. I am not aware that they were.

9 Q. Was purchasing required to obtain
10 approval from Fisons for entering into contracts
11 for services?

12 A. I don't know the answer to that
13 question. I don't believe they were.

14 Q. When you were plant manager, did you
15 enter into any contracts for National
16 Polychemicals?

17 A. Not that I can recall.

18 Q. When you were in research did you?

19 A. No.

20 Q. Who entered into sales contracts?

21 A. The selling of the products?

22 Q. Yes.

23 A. The sales and marketing manager, whoever
24 was in that position at the time.

1 Q. And was that individual required to
2 obtain approval from any of the Fisons or Whiffen
3 companies to enter into those contracts?

4 A. I don't know the answer to that
5 question, because I think I related earlier there
6 was some talk that the international department of
7 Fisons wanted to control pricing from England. I
8 am not sure what went on there.

9 Q. You mentioned an arm's length
10 relationship. What were you referring to?

11 A. The original relationship was very close
12 between National Polychemicals and Whiffen, in that
13 we were still in the same types of businesses, and
14 we coordinated for a year to two years on research
15 programs. Then suddenly they went to an arm's
16 length where this coordination was not possible
17 anymore.

18 Q. Was there a formal agreement called an
19 "arm's length agreement"?

20 A. I am not sure whether there was. I
21 think there was some direction that came down
22 through the board of directors that the companies
23 -- departments would have to deal on an arm's
24 length basis.

1 Q. Did that relate only to NPI and Whiffen
2 or to the Fisons companies as well?

3 A. It was basically NPI and Whiffen, I
4 believe, but it probably related to all Fisons
5 divisions.

6 Q. Do you know what direction was received?

7 A. I think the feeling was the companies
8 had been operating too close and exchanging
9 information too freely and that under the law this
10 might have been construed as an antitrust
11 violation.

12 Q. Now, who was responsible for contracts
13 for maintenance services? Was that the purchasing
14 department?

15 A. Basically contracts were handled through
16 purchasing for that. They would handle the
17 contracts.

18 Q. To the best of your knowledge, those
19 contracts did not require Fisons' approval?

20 A. I don't believe so.

21 Q. What about contracts for waste disposal
22 services, who had to approve those?

23 A. Purchasing handled that for the most
24 part.

1 Q. Again that did not require Fisons'
2 approval?

3 A. I don't believe so.

4 Q. Are you familiar with what bank accounts
5 National Polychemicals had?

6 A. No.

7 Q. Were you ever paid by Fisons?

8 A. In pounds? No.

9 Q. Or in dollars?

10 A. No.

11 Q. Do you know of any National
12 Polychemicals employees that were paid by Fisons?

13 A. No.

14 Q. Do you know whether NPI ever comingled
15 any funds with any Fisons entity?

16 A. Well, Fisons infused capital and expense
17 money into National Polychemicals through loans.

18 Q. How did they do that?

19 A. Through loans, I believe.

20 Q. Do you know whether those loans were
21 recorded on the books as loans?

22 A. I have no knowledge of whether they were
23 or not.

24 Q. What knowledge do you have concerning

1 those loans?

2 A. Well, the contract for the purchase of
3 the company by Stepan cited a payback of certain
4 loans which National Polychemicals owed to Fisons
5 Ltd.

6 Q. At the time you worked in Wilmington,
7 were you aware of any loans?

8 A. I was aware that money was flowing in
9 from the U.K., because there was quite an
10 investment being spent in the plant and the
11 business wasn't making a profit at that level.

12 Q. How were you aware of that money?

13 A. Well, I was in charge of development
14 when I was plant manager. I had to budget capital
15 expenditures and I had to approve capital
16 expenditures. I knew the level of sending that was
17 being spent.

18 Q. How much money came in from the U.K.?

19 A. I can't say. I think there were loans
20 of something like \$600,000 or \$800,000.

21 Q. In total or several loans each of that
22 amount?

23 A. I don't know what the total was. They
24 were fairly substantial for the time.

1 Q. During what time period were those loans
2 made?

3 A. '64 to '67.

4 Q. Do you know the terms of those loans?

5 A. No.

6 Q. You said when Stepan purchased the
7 company there was some arrangement for Stepan to
8 pay back those loans?

9 A. Yes. I can't quote you. I saw it in
10 the contract. I think you have a copy of the
11 contract.

12 Q. Do you know whether Stepan paid back
13 those loans?

14 A. I think they did when they purchased the
15 company.

16 Q. Did they pay them back in full?

17 A. I believe they did.

18 Q. Were you present at the closing?

19 A. No. That's why I don't think I was ever
20 at the board meeting either. I think that was a
21 phony note.

22 Q. Well, the documents were produced by
23 your counsel.

24 We talked briefly about the

1 execution of contracts for NPI. Who actually
2 negotiated contracts on behalf of NPI?

3 A. It depended on which contract you were
4 discussing.

5 Q. I think in your testimony, and correct
6 me if I am wrong, that contracts were entered into
7 by NPI personnel; is that right?

8 A. By NPI personnel, yes.

9 Q. Was it also NPI personnel who negotiated
10 the contracts?

11 A. Who negotiated them? Yes.

12 Q. Are you aware of any instance when
13 anyone from Fisons or Whiffen ever negotiated a
14 contract on behalf of NPI?

15 A. No.

16 Q. Are you aware of any professional
17 consultants that NPI used, either lawyers or
18 accountants? I am talking about someone who was
19 not a NPI employee.

20 A. There was a patent person used, Richard
21 Crowley.

22 Q. When did he start performing services
23 for NPI?

24 A. I think sometime before Fisons, before

1 1964.

2 Q. For how long did he continue to perform
3 services for NPI?

4 A. I think until the company was sold.

5 Q. Was sold to Stepan or Olin?

6 A. Sold to Olin. He was familiar with the
7 trademarks and patents.

8 Q. Did he perform any services for Fisons?

9 A. Yes.

10 Q. What services did he perform?

11 A. I think he -- I believe he did some
12 trademark services and patent services for Fisons
13 in the U.S.

14 Q. When was that?

15 A. Pardon?

16 Q. When was that?

17 A. In the period '64 to '68.

18 Q. How do you know that?

19 A. You asked if he did and my opinion is
20 that I think he did.

21 Q. I am not asking for your opinion. Based
22 on your knowledge --

23 A. I can't ^{prove} proof that he did. I heard talk
24 that he did. In a conversation with him I heard

1 that he was doing some work for Fisons Ltd.

2 Q. He told you that directly?

3 A. Yes.

4 Q. Did he tell you what he was doing?

5 A. No. I think it was basic patent and
6 trademark work.

7 Q. That was for Fisons Ltd.?

8 A. Yes.

9 Q. Did he ever tell you he performed
10 services for Fisons Corporation?

11 A. I didn't hear you.

12 Q. Did he ever say he performed services
13 for Fisons Corporation?

14 A. No.

15 Q. Do you have any information that he did
16 perform any services for Fisons Corporation?

17 A. No.

18 Q. Were there any other professional
19 consultants that you were aware of that NPI used
20 other than its own employees?

21 A. There was a man named Terry Ter Horst.

22 Q. Who is he?

23 A. He was a chemical consultant. He did
24 research consulting. He worked in a certain area

1 of nitrogen chemistry that was significant for
2 National Polychemicals.

3 Q. Was he an independent consultant or was
4 he --

5 A. Independent.

6 Q. When did he perform services for NPI?

7 A. Probably from '57 or '58 until '68, '69.

8 Q. Do you know whether he performed any
9 services for Fisons?

10 A. No, I don't believe that he did.

11 Q. For Whiffen?

12 A. No, I don't believe he did.

13 Q. Did Mr. Crowley perform any services for
14 Whiffen?

15 A. I believe he did, but I am not sure.

16 Q. You are not sure?

17 A. I am not sure.

18
19 (Whereupon, the deposition was
20 suspended.)
21
22
23
24

CERTIFICATE

I, Charles P. Riley, do hereby
certify that I have read the foregoing transcript
of my testimony, taken on August 10th, 1990, and
further certify that said transcript is a true and
accurate record of said testimony.

Dated at _____, this _____
day of _____, 1990.

Sworn to and subscribed before me this ____ day of
_____, 1990.

Notary Public
My Commission expires:

1 COMMONWEALTH OF MASSACHUSETTS)

2 SUFFOLK, SS.)

3
4 I, Deborah Roth, a Notary Public in and for
5 the Commonwealth of Massachusetts, do hereby
6 certify that there came before me on the 10th day
7 of August, 1990, at 9:20 a.m., the person
8 hereinbefore named, who was by me duly sworn to
9 testify to the truth and nothing but the truth of
his knowledge touching and concerning the matters
in controversy in this cause; that he was thereupon
examined upon his oath, and his examination reduced
to typewriting under my direction; and that the
deposition is a true record of the testimony given
by the witness.

10 I further certify that I am neither attorney
11 or counsel for, nor related to or employed by, any
12 of the parties to the action in which this
13 deposition is taken, and further that I am not a
relative or employee of any attorney or counsel
employed by the parties hereto or financially
interested in the action.

14 In witness whereof, I have hereunto set my
15 hand and seal this 28th day of August, 1990.
16

17 

18 _____
19 Notary Public
20 My Commission Expires:
21 April 1st, 1994
22
23
24

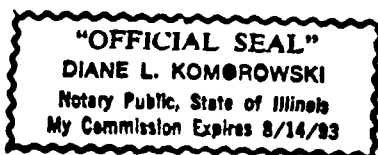
CERTIFICATE

I, Charles P. Riley, do hereby
certify that I have read the foregoing transcript
of my testimony, taken on August 10th, 1990, and
further certify that said transcript is a true and
accurate record of said testimony.

Dated at Peotichfield, Ill. this _____
day of Sept 12, 1990.

Charles P. Riley Jr.

Sworn to and subscribed before me this 12th day of
September, 1990.



Diane L. Komorowski
Notary Public
My Commission expires:

8/14/93